

**2001**

**Iowa Utilities Board  
Annual Report**

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## **The Board**

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### **Allan T. Thoms, Chairperson**

Chairperson Thoms joined the Board April 3, 1995. He was reappointed for a second six-year term in April 2001. He is a member of the National Association of Regulatory Utility Commissioners (NARUC) serving as co-vice chair of the Committee on Telecommunications, a member of the Board of Directors and the Executive Committee, and treasurer. He also represents NARUC on the Board of Directors of the Federal Communications Commission Universal Service Administrative Company. Thoms is a member of the Advisory Committee of the New Mexico State University Center for Public Utilities and past chairman of the Qwest Regional Oversight Committee that oversees Qwest's operations in its 14-state service area.

Thoms received his law degree from the University of Iowa. He was president of Rowley Interstate Transportation Company from 1979-1982 and was senior vice president and chief administrative officer for Dubuque Packing Company from 1982-1986. He was director of the Iowa Department of Economic Development from 1986-1989 and from 1990-1994.

Effective October 26, 2001, Thoms resigned from the Board for a position with Verizon Communications in Washington state. An appointment to the vacant Board seat is pending.

### **Susan J. Frye, Board Member**

Governor Thomas J. Vilsack appointed Susan J. Frye to the Utilities Board in May 1999 for a six-year term, which expires in April 2005. She resigned from the Board, effective at the end of June 2001. An appointment to fill her seat was announced in July 2001.

Prior to this, Frye was in private law practice in personal injury, toxic torts, health, and environmental law in Iowa City since 1989. Earlier in her career, she was in cardiovascular and critical care education, administration, and research. Frye has been published and lectured widely in both health care and law, and has served as adjunct faculty at the University of Pennsylvania, Widener University, and the University of Iowa.

Frye received her J.D. from the University of Iowa in 1989, M.S.N. from the University of Pennsylvania in 1979, and B.S.N. from the University of Iowa in 1973. She also is a Registered Securities Representative with the National Association of Securities Dealers (inactive status). Frye is a member of the National Association of Regulatory Utility Commissioners (NARUC) and serves on the Electricity and Consumer Affairs Committees. She serves on the Advisory Board of the University of Iowa Center for Global and Regional Environmental Research. She is also a member of the Johnson County and Iowa State Bar Associations (ISBA) and has served on the Environmental and Natural Resource Law Council and the Committee on Continuing Legal Education of the ISBA.

## **The Board**

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### **Diane Munns, Board Member**

Diane Munns was appointed to the Board in 1999 to fill an unexpired term ending in April 2003. She is a member of the National Association of Regulatory Utility Commissioners and serves on both the Finance and Technology Committee and the Consumer Affairs Committee. She serves as a state member on the Federal-State Joint Board on Separations, which works cooperatively with the Federal Communications Commission. Munns is a member of the Board of Directors of the National Regulatory Research Institute and serves as the chair of its research committee. She is also a member of the Iowa Energy Center Advisory Council.

Board member Munns received a B.A. from the University of Iowa and her law degree from Drake University Law School. She was general counsel to the Iowa Utilities Board prior to her appointment to the Board.

### **Mark Lambert, Board Member**

Governor Thomas J. Vilsack appointed Mark Lambert to the Utilities Board in July 2001 for an unexpired term lasting through April 30, 2005. Lambert replaced Susan Frye, who resigned from the Board in June 2001.

The Newton native was the executive director of the Iowa Environmental Council in 2000 and 2001. Before that, he was staff attorney for Planned Parenthood of Greater Iowa between 1996 and 2000, was engaged in the private practice of law in 1996, worked for the State Public Policy Group consulting firm from 1990-1996, and was the associate director of the Iowa Civil Liberties Union from 1985-1990.

Lambert has a law degree from the University of Iowa College of Law and a Bachelor of Arts Degree in Liberal Arts from the University of the State of New York.

## History of the Iowa Utilities Board

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The Iowa Board of Railroad Commissioners, one of the oldest agencies in Iowa state government, was established in 1878, only 32 years after Iowa became a state. The three elected commissioners were charged with the duty to regulate railroad passenger and freight rates and operations. This oversight of the network that transported Iowans and their products was critical to pioneer farmers and businesses.

In 1911 the Legislature established the Office of Commerce Counsel, one of the nation's first public defender's offices, within the Railroad Commission. With the growing use of electricity, the Board was authorized to regulate the location of electric transmission lines in Iowa. A rate department was added at that time, followed by statistics and engineering departments a short time later. The agency began licensing grain warehouses in Iowa in 1921 and was authorized to regulate passenger and freight rates for intrastate motor truck transportation in 1923. Authority to regulate natural gas pipeline construction was granted in the early 1930s. Because of its expanded authority, the agency was renamed the Iowa State Commerce Commission (ISCC) in 1937.

After World War II ended, sentiment grew for centralized regulation of public utilities. The governing bodies of the cities and towns had jurisdiction over electric and gas rates and services. The major investor-owned electric and gas companies had to deal individually with more than 200 town and city councils for each rate change. There was no provision for the regulation of communication services at either the state or municipal level. By 1953, Iowa was one of only two states that lacked a public utility

commission. In 1963, the Iowa Legislature added the regulation of the rates and service of public utility companies to the Commission's responsibilities. Also in 1963, the commission terms were extended from two years to six years and the positions became appointed rather than elected.

This additional responsibility over 923 regulated public utilities (702 telephone companies) grew quickly and began to overshadow the Commission's other duties. In 1975, the industry passed the \$1 billion threshold in intrastate operating revenues. Regulation of motor and rail transportation was transferred in that year to the Iowa Department of Transportation. Exclusive service areas for electric utilities were initiated in 1976, as well as authority to issue certificates of public convenience, use, and necessity for constructing electric generating facilities.

As the price of energy rose in the late 1970s, conservation and alternative sources of energy became important issues. In 1980, the Commission was authorized to engage in several energy-saving strategies and pilot projects.

After the Legislature adjourned in 1981, only five telephone companies remained under rate regulation. Those with fewer than 15,000 customers were required only to meet the agency's service standards.

In 1983 the nation's first telephone deregulation statute was included in an omnibus utility reform bill that also replaced the Office of Commerce Counsel. A state Office of Consumer Advocate was established to represent the public interest in rate cases and the Office of General Counsel

was created to provide legal support to the Commission.

State government reorganization in 1986 renamed the Iowa State Commerce Commission and included the agency in an umbrella regulatory agency, the Department of Commerce. The new name, Iowa Utilities Board, reflected the absence of the grain warehouse function that was transferred to the Department of Agriculture. Also that year, rate regulation ended for rural electric cooperatives and service regulation of municipal utilities was severely limited. The Office of Consumer Advocate was made a division of the Department of Justice.

In 1989 the legislature abolished the practice of shared technical staff by the Utilities Board and Consumer Advocate. Staff positions were transferred to Consumer Advocate when this occurred. The Board was also given authority to oversee mergers and acquisitions of utility companies. The 1990 General Assembly, at the Board's urging, gave the Board authority to oversee gas and electric utilities' energy efficiency activity.

The 1980s saw the beginning of a move away from regulation in the gas and electric industries. In the mid-1980s the Federal Energy Regulatory Commission (FERC) began opening interstate natural gas pipelines to competitive gas suppliers. Congress fully deregulated sales of natural gas, but the interstate transportation of natural gas was still regulated by FERC. As a result, gas could be obtained competitively at hundreds of delivery points in Iowa. Industrial customers in Iowa have been purchasing gas in the open competitive market and transporting it through their local utilities' facilities to their plant locations since the late 1980s. Certain barriers,

however, prohibited small volume customers from participating in the competitive market. In 1997, the Board adopted new rules that required the gas utilities to propose comprehensive plans or tariffs to provide access for small volume customers. In 1999, workshops were held to develop consensus recommendations on consumer protections, market accessibility, and system reliability. In August 2000, the Board required each rate-regulated natural gas utility to file draft tariffs to implement transportation to small volume end-users.

In April 2001 the Board implemented new rules establishing the criteria for certification of competitive natural gas providers. The rules allow certified competitive natural gas providers to pool transportation service to Iowa small-volume business and residential customers for the first time. A competitive natural gas provider or aggregator must reasonably demonstrate managerial, technical, and financial capability sufficient to obtain and deliver the services it proposes to offer. Competitive natural gas providers served large industrial customers in Iowa previously for many years with requirements of large-volume transportation tariffs. Those large-volume competitive natural gas providers must also become certified under the new rules.

The electric industry was also changing. The federal Energy Policy Act of 1992 (EPACT) permitted independent power producers (IPPs) to enter the wholesale power market where they could sell electric capacity and energy to utilities at unregulated market rates. EPACT also authorized the Federal Energy Regulatory Commission (FERC) to require electric utilities to open their transmission systems for wholesale transactions. The apparent success of competition in the wholesale

electric market led to growing pressure to allow retail competition as well. In 1995, the Board began formal study of this issue with an inquiry into emerging competition in the electric industry. In 1998, 1999, and 2000, electric competition proposals were considered but not passed by the legislature. In September 2000, the Governor announced the formation of a task force to take a comprehensive look at Iowa's energy needs. Also in 2000, the Board initiated an inquiry into electric delivery reliability and an investigation into generation resource planning. That inquiry continued in 2001. In December 2001, the IUB released a report entitled "Report on Electric Delivery Reliability Inquiry, A Staff Analysis, Docket No. NOI-00-4."

In 2001 the Legislature adopted House File 577 to attract the development of electric power generating and transmission facilities with the state. The new legislation streamlines the statutory generation siting requirements and allows advance ratemaking principles for the construction of certain generation plants built by rate-regulated utilities. The Board must now establish ratemaking principles that will apply when those new plant costs are included in electric rates. Utility companies

were previously required to wait until new plants actually went on line before learning how regulators would treat their investment.

Telephone price regulation was authorized in 1995, along with laws encouraging the development of local telephone competition. The federal Telecommunications Act of 1996 opened the local telecommunications market to competition and gave state commissions the authority to determine prices for the use of the telephone network.

In Executive Order Eight on September 14, 1999, the Governor asked all state agencies to review their rules for need, clarity, intent and statutory authority, cost, and fairness. On February 23, 2000, the Board issued its plan for regulatory review. The Board divided its rules into five groups (and five subgroups), and teams began review with the help of public participants. After receipt of public comments, the teams continued their review and began developing recommended changes to the Board's rules. During 2001, the teams completed their review and the Board submitted recommended changes to the Governor in its Assessment Report.

## **Jurisdiction and Regulatory Authority of the Iowa Utilities Board**

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The Utilities Board's authority is stated in summary form in Iowa Code §§ 476.1 and 474.9. The Board regulates the rates and services of electric, natural gas, communications, and water utilities and generally supervises all pipelines and the transmission, sale, and distribution of electrical current.

The Board regulates the rates and services of two investor-owned **electric** companies, MidAmerican Energy Company and Alliant Utilities. Together these companies serve more than 1 million electric customers. There are 139 municipal electric utilities that are regulated only in matters specified by statute. Rural electric cooperatives (RECs) are regulated for service and have the option of choosing to be regulated for rates. Linn County REC is the only REC out of 47 that has opted to have the Board set its rates. The legislature in 2001 passed H.F. 577, which encouraged the development of generation and transmission within the state by changing the statutory generation siting requirements and by allowing defined generation facilities to receive a binding Board determination of the regulatory principals that will apply to the plant throughout its life.

The Board has general jurisdiction over **gas** utilities furnishing natural gas by piped distribution under Chapter 476, but does not regulate propane gas. The Board regulates the rates and services of five investor-owned gas utilities: MidAmerican Energy Company, Peoples Natural Gas Company, Interstate Power Company, IES Utilities Inc., and United Cities Gas Company. The Board also regulates certain areas of gas service provided by municipal utilities. Gas utilities having fewer than 2,000 customers are subject to separate rate and service regulatory provisions under Iowa Code § 476.1C.

The Board has general regulatory authority over two-way, land-line **telecommunications** under Chapter 476. It does not regulate cellular service or cable television service. The Board regulates the rates and service of local exchange carriers that serve more than 15,000 customers: Qwest Corporation, Iowa Telecommunications Services, Inc. and Frontier Communications of Iowa, Inc. It regulates only the service and not the rates of the remainder of both independent and competitive local service providers. Nearly all long distance service has been deregulated because it is subject to effective competition. In addition, under Chapter 476 and 47 U.S.C. § 252 of the federal Telecommunications Act of 1996, the Board has authority to resolve inter-utility disputes between competitors.

The Board also regulates the rates and service of one investor-owned **water** utility, Iowa-American Water Company. The company serves over 54,000 water customers in its Davenport and Clinton districts. The Board does not regulate waterworks having less than 2,000 customers or municipally-owned waterworks.

Also included in the Board's jurisdiction is certification of electric power generators (476A), granting a franchise for electric transmission lines (478), supervision of the transportation or transmission of a solid, liquid, or gas, except water, through intrastate pipelines (479), the authority to implement certain controls over the transportation of natural gas through interstate

pipelines to protect landowners and tenants from environmental or economic damages (479A), and the authority to implement certain controls over hazardous liquid pipelines to protect landowners and tenants from environmental or economic damages (479B).

In addition to rate making and service regulation, the Board has the authority to resolve complaints, enforce safety and engineering standards, approve plans for energy efficiency programs, approve plans for recovery of the costs to control emissions from generating facilities, oversee affiliate transactions, and review proposals for reorganization.

Under chapter 477C, the Board administers a dual party relay service to allow communication-impaired persons to use the telephone. It also administers an equipment distribution program to provide telecommunications devices for the deaf to eligible persons.

### **Vision Statement**

The recognized leader, providing Iowans innovative utilities regulation through an environment of excellence.

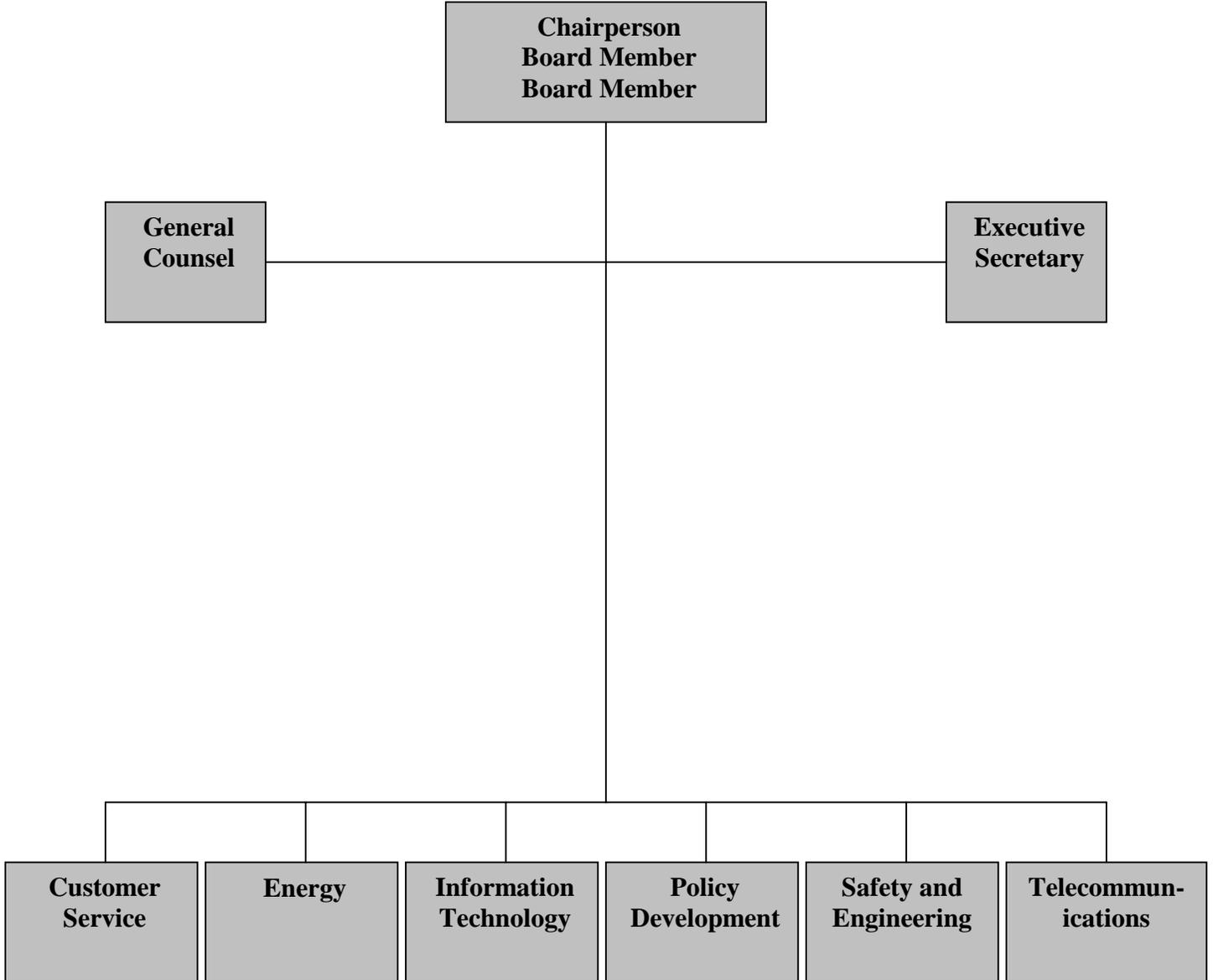
### **Mission Statement**

Performance excellence in regulation, where we assure Iowans receive:

- The best value in utility services
- Safe and reliable utility services
- Fair treatment
- The information and services they need

# Organization of the Agency

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## **Executive Secretary**

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### **Judi K. Cooper, Executive Secretary**

*The Board appointed Judi K. Cooper as acting executive secretary, effective January 1, 2001. On August 17, 2001, Cooper was named executive secretary to the Utilities Board. Cooper served as the deputy executive secretary from May 1998 through 2000. She joined the agency in July 1982 and worked as an analyst in the Electric Rates Section of the agency until her appointment as deputy executive secretary. She holds a bachelor of business administration degree in accounting from Iowa State University. She is a member of the NARUC Staff Subcommittee on Executive Management and has served on the NARUC Staff Subcommittee on Accounting and Finance.*

Appointed by the Utilities Board under Iowa Code chapter 474, the executive secretary oversees the operation of the agency and assists the Board in assuring that the work of the agency is completed efficiently and effectively.

The executive secretary is the custodian of the Board seal and all Board records. The executive secretary, or secretary's designee, is responsible for attesting the signatures of the Board members and placing the seal on original Board orders. The secretary or the secretary's designee is also responsible for certifying official copies of Board documents. Other responsibilities of this office include establishing procedures for the examination of Board records by the general public pursuant to the provisions of Iowa Code § 22.11 and providing for the enforcement of those procedures.

The executive secretary is responsible for preparing the agency budget and ensuring that essential administrative business is carried out. Additional duties include supervising the records and information center staff. The records and information center receives and maintains all filings made with the Board, provides access to Board files for those who wish to review them, processes requests for copies, and ensures that orders are served to parties to a docket. The records and information center also ensures that periodicals and pertinent information is distributed to the Board and staff and maintained in the information center.

## Record Center Filings in 2001

Annual review of electric	2
Competitive natural gas provider or aggregator	13
Complaints	730
Declaratory rulings	3
Electric energy adjustments	36
Formal complaints	3
Generating certificates	2
Investigations	1
Negotiated interconnection agreements	43
Notices of inquiry	2
Pipeline safety	1
Purchased gas adjustments	84
Rate notifications	7
Gas & electric	1
Telephone	5
Water	1
Rate proceedings	10
Refund plans	5
Gas & electric	5
Telephone	0
Rule makings	15
Service proceedings	17
Tariff revisions	535
Gas & electric	84
Telephone	447
Water	4
Telephone certificate proceedings	23
Waiver requests	55
<b>Total</b>	<b>1,588</b>

## **General Counsel**

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### **Allan Kniep, General Counsel**

*Allan Kniep was named general counsel in September 1999. He has been an attorney for the agency since 1985. He is a 1980 graduate of The University of Iowa College of Law School. He is a member of the NARUC Staff Subcommittee on Law.*

The Office of General Counsel was created July 1, 1983, to serve as legal advisor to and attorney for the Iowa Utilities Board. General Counsel provides legal advice and formal legal opinions to the Board on matters arising under the Iowa Code and the Board's administrative rules.

Attorneys in the Office of General Counsel draft Board decisions, orders, and rules. The office also provides legal advice to the Board's staff. The office represents the Board before state and federal courts in proceedings that challenge the Board's implementation of state and federal law.

### **2001 Highlights**

See Court Cases section of the 2001 Annual Report, Page 111.

## Customer Service

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### Chuck Seel, Manager

*Chuck Seel joined the agency in 1998 as manager of the Customer Service Section and also serves as the chief public information officer for the Board. His professional background includes 16 years with a Midwestern energy utility serving in various capacities, including director of customer service and director of public relations. Seel has a B.A. from Kansas State University. He has earned the APR professional certification from the Public Relations Society of America and has served as the accreditation chairman for the Central Iowa Chapter of PRSA. He is also a member and officer of the NARUC Staff Subcommittee on Consumer Affairs.*

### 2001 Highlights

- Customer Service staff recorded 7,615 customer contacts covering 8,390 issues, a record number.
- Verbal contacts increased 64 percent over 2000.
- Informal investigations (C-files) increased 54 percent over 2000.
- Local and long distance telephone issues combined still represented a majority of the work.
- The early winter months focused on high heating bills and related issues from the record cold winter. The Board extended the winter disconnection moratorium for one month to May 1, 2001.
- Docket No. NOI-01-1 conducted an investigation into the impact of high winter heating bills. See Notice of Inquiry section.
- Docket No. NOI-00-1 was concluded after telephone companies substantially complied with rules requiring telephone directories to contain current information advising customers where and how to contact the IUB. See Notice of Inquiry section.

Calendar year 2001 was the first year the Customer Service Section utilized improved methods for data collection and record keeping of customer inquiries and utility complaints. In addition to utilizing the Verbal Complaint System (VCS) to track customer calls, staff implemented a new data collection system for tracking various types of written correspondence to the Board by service provider and complaint type.

A new complaint category was added for Referred Complaints (RC). These are situations where the customer is having a problem with a utility or long distance service provider, but it does not appear to involve a violation of Board rules. Board staff contacts the utility or service provider on behalf of the customer and assists in seeking resolution of the complaint.

General Correspondence (GC) is for informational responses where the customer is not seeking assistance with a specific utility or service provider problem. These topics range from the public expression of opinion on general issues to requests for information on alternative energy or other utility related topics.

Telephone issues, primarily slamming, cramming, and other billing issues for long distance, continued to be the dominant topic of customer contact. This was the second full year of operation under slamming and cramming rules as a result of legislation passed in 1999. The number of C-files for slamming/cramming was down 10 percent from 2000, while the number of verbal inquiries was up 68 percent. Many customers continued to have difficulty resolving disputes with long distance service providers and IUB staff continued assisting those customers in making contact with senior complaint resolution staff at the various long distance companies. Action initiated by the Office of Consumer Advocate led to one long distance provider no longer being allowed to do business in the state and appeared to stimulate some improvement in slamming activity towards the end of the year.

The Public Information staff added additional consumer information brochures to assist the public with understanding of some of the issues that cause many service complaints. These brochures were distributed at utility trade shows, a regional business expo, and by mail. Additional copies were made available in quantity at no cost to utilities for their customers. The IUB has five brochures available to the public:

- Answering Utility Service Questions: Here's How to Find Help
- Understanding Fees on Telephone Bills
- Choosing the Right Long Distance Company & Plan
- Avoiding Telephone Billing & Marketing Deception
- Natural Gas Pricing and Bill Comparison

### Customer Service Year End Report - 2001 Contacts/Issues

	Contacts/Letters		# Issues	
	YTD		YTD	
	2001	2000	2001	2000
<b>VERBALS</b>				
Gas	1474	460	1649	498
Electric	1484	878	1625	968
Water	62	27	62	29
Local Telephone	1510	1177	1651	1277
Long Distance	1402	1073	1477	1128
<b>TOTAL VERBALS</b>	<b>5932</b>	<b>3615</b>	<b>6464</b>	<b>3900</b>

	2001	2000	2001	2000
	(730 actual)	(530 actual)		
<b>C-FILES*</b>				
Gas	93	16	127	22
Electric	102	45	143	63
Water	1	0	1	0
Local Telephone	198	125	256	178
Long Distance	434	353	468	494
<b>TOTAL C-FILES</b>	<b>828</b>	<b>539</b>	<b>995</b>	<b>757</b>

	<b>Contacts/Letters</b>		<b># Issues</b>	
	<b>YTD</b>		<b>YTD</b>	
<b>SUBTOTAL C-FILES/VERBALS</b>	<b>6760</b>	4154	<b>7459</b>	4657
<b>RC-FILES</b>	<b>2001</b>	2000	<b>2001</b>	2000
Gas	<b>33</b>	NA	<b>51</b>	NA
Electric	<b>26</b>	NA	<b>31</b>	NA
Water	<b>0</b>	NA	<b>0</b>	NA
Local Telephone	<b>63</b>	NA	<b>71</b>	NA
Long Distance	<b>100</b>	NA	<b>105</b>	NA
<b>TOTAL RC-FILES</b>	<b>222</b>	NA	<b>258</b>	NA
<b>GC-FILES</b>	<b>2001</b>	2000	<b>2001</b>	2000
Gas	<b>177</b>	NA	<b>192</b>	NA
Electric	<b>88</b>	NA	<b>96</b>	NA
Water	<b>5</b>	NA	<b>5</b>	NA
Local Telephone	<b>285</b>	NA	<b>293</b>	NA
Long Distance	<b>78</b>	NA	<b>87</b>	NA
<b>TOTAL GC-FILES</b>	<b>633</b>	NA	<b>673</b>	NA
<b>TOTAL OF ALL TYPES</b>	<b>2001</b>	2000	<b>2001</b>	2000
Gas	<b>1777</b>	NA	<b>2019</b>	NA
Electric	<b>1700</b>	NA	<b>1895</b>	NA
Water	<b>68</b>	NA	<b>68</b>	NA
Local Telephone	<b>2056</b>	NA	<b>2271</b>	NA
Long Distance	<b>2014</b>	NA	<b>2137</b>	NA
<b>GRAND TOTAL</b>	<b>7615</b>	NA	<b>8390</b>	NA

\*NOTE: An individual complaint file may cover more than one utility type ( e.g. gas/electric or local telephone/long distance telephone) if the complaints in the file cover more than one utility type. Therefore, the total C-Files may be higher than the number of actual files established.

## Energy Section

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### John Harvey, Manager

*John Harvey has managed the agency's Energy Section since May 2000. He has 20 years of experience in the utility industry in a variety of regulatory and operations positions. He also serves on the NARUC Staff Subcommittees on Electricity and Strategic Issues. Harvey served as a naval intelligence officer from 1973-1980. He holds a B.A. from Luther College in Decorah, Iowa, and a M.B.A. from Southern Illinois University at Edwardsville.*

### Highlights of 2001

#### Electricity

- The Board completed its inquiry into electric delivery reliability.
- The Board participated in discussions to increase electric generation and transmission investment in Iowa.
- The Office of Consumer Advocate filed a petition against MidAmerican Energy on March 14, 2001, alleging rate levels were excessive by more than \$77 million (Docket No. RPU-01-3). MidAmerican responded on June 11, 2001, filing a request for a \$55-plus million increase in rates (Docket No. RPU-01-5). The Board consolidated the two dockets into one proceeding and accepted a settlement agreement between the parties in December.
- MidAmerican Energy filed a request for advance ratemaking principles for the Greater Des Moines Energy Center (Docket No. RPU-01-9).

#### Natural Gas

- 2001 began with natural gas prices at unprecedented high levels. Those price levels eased considerably by summer and returned to much lower levels by the end of the year.
- The Board held meetings with each of the investor-owned natural gas utilities to discuss the use of financial tools to ease customer bill volatility.
- The Board adopted natural gas marketer certification rules.

#### Water

- Iowa-American Water Company filed a request for a \$3 million increase in rates on April 17, 2001 (Docket No. RPU-01-4). The Board approved a settlement between the parties on August 20, 2001.

## Electricity

**Electric Delivery Reliability.** Energy Section staff participated in the Board's inquiry into electric delivery reliability (Docket No. NOI-00-4). The final report recommended a follow-up rulemaking.

**Advance Ratemaking Principles—HF 577.** In a June 2001 special session, the legislature passed House File 577. HF 577 modified the Code of Iowa, including replacing Iowa Code §476.53. The intent of new §476.53 was to attract the development of electric power generating and transmission facilities within the state in sufficient quantity to ensure reliable electric service to Iowa consumers and provide economic benefits to the state.

The new subsection provides that, upon application by a rate-regulated public utility, the Board shall specify in advance the ratemaking principles that will apply when the costs of a new utility owned or leased generating facility are included in regulated electric rates. The generating facility must be located in Iowa and be either a base-load electric power generating facility with a capacity of at least 300 megawatts or a combined-cycle electric power generating facility, or an alternate energy production facility. In determining the applicable ratemaking principles, the Board is not limited to traditional ratemaking principles or traditional cost recovery mechanisms. Through a competitive bidding process, the Board selected a consulting firm to advise it in the process of considering such applications.

**Greater Des Moines Energy Center (GDMEC).** On November 13, 2001, MidAmerican Energy filed an application for advanced determination of ratemaking principles related to the 540-megawatt GDMEC (Docket No. RPU-01-9). MidAmerican requested that the Board specify eight regulatory principles for GDMEC. The Energy Section led a staff team to evaluate the application, as well as to manage the ratemaking principles consulting contract for the case.

**Docket Nos. RPU-01-3 and RPU-01-5.** The Office of Consumer Advocate filed a petition against MidAmerican Energy on March 14, 2001, alleging rate levels were excessive by more than \$77 million (Docket No. RPU-01-3). MidAmerican responded on June 11, 2001, by filing a request for a \$55-plus million increase in rates (Docket No. RPU-01-5). The Board consolidated the two dockets into one proceeding. The Board accepted, with modifications, a settlement agreement between the parties on December 21, 2001.

The most noteworthy features of the settlement agreement were (1) the continuation of a rate freeze from January 1, 2001, through December 31, 2005, and (2) a sharing agreement, should revenues to MidAmerican prove to be excessive in any calendar year, where the customer's share would be used as an offset to allowance for funds used during construction (AFUDC) for the Greater Des Moines Energy Center and any other MidAmerican Energy generating facilities that begin construction prior to December 31, 2005.

## Natural Gas

**Prices.** Natural gas prices began 2001 where they left off in 2000, at unprecedented high levels. Neither pipeline companies nor local distribution companies increased their regulated delivery costs. The price increases were driven by highly volatile natural gas commodity costs. The volatility and resulting high price levels were caused by (1) a robust economy and (2) very cold November-December 2000 weather that caused customers to use massive amounts of gas, thus

quickly depleting storage volumes. The combination of high economic activity and reduced storage brought perceptions of shortages to the natural gas market. Though high commodity prices lingered throughout the rest of the heating season, price levels eased considerably by summer and returned to much lower levels by the end of the year. The reductions in prices were attributed to the easing of economic activity in a slumping economy, increased amounts of gas being stored in the summer of 2001, and much warmer late fall-early winter temperatures in 2001.

**Meetings with Rate Regulated Natural Gas Utilities.** Because of the extreme impact of natural gas price volatility on customer bills, staff held meetings with each of the rate regulated natural gas utilities in the late spring and early summer. The meetings were used to discuss the use of financial tools to ease future customer bill volatility. The Office of Consumer Advocate also participated in the meetings. Each of the utilities later adopted plans to increase the use of hedging tools, including storage and financial derivatives.

### **Water**

**Docket No. RPU-01-4.** Iowa-American Water Company filed a request for a \$3 million increase in rates on April 17, 2001. The Board approved a settlement between the parties on August 20, 2001.

## **Information Technology**

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### **Margaret Munson, Manager**

*Margaret Munson became manager of the Information Technology Section when it was formed in May 1998. Prior to the formation of the IT section, Munson served as a utility analyst and the Local Area Network (LAN) Administrator for the Board. She joined the Iowa Utilities Board staff in 1990 after teaching college business courses for ten years at various institutions, including Iowa State University (ISU) and the University of Iowa. An Iowa native and a long-time Ames resident, Munson earned a B.S. in Industrial Administration (finance) from ISU, a M.S. in Industrial Administrative Sciences (business) from ISU and a M.A. in Business Administration (finance) from the University of Iowa. She holds an Iowa Certificate of Public Accounting. Munson serves as a member of the NARUC Staff Subcommittee on Information Services and the State of Iowa CIO Council.*

The Information Technology (IT) Section provides technology resources, training, support, and tools for the agency. IT staff is responsible for maintenance and support of the IUB's local area network (LAN), including network hardware and software, desktop hardware and software, and user support. IT Section staff provides strategic and tactical support for the agency's present and future business processes and the section coordinates information technology processes with enterprise and external systems. The IT Section is responsible for developing, updating, and maintaining the Board web site and works collaboratively with other sections in developing web site content.

### **2001 Highlights**

- Web site improvements
- Annual utility financial and operating report filings
- Network hardware and software improvements
- Information process improvements

### **Web Site Expansion**

IT Section staff continued to expand the Board web site. New information included: proposed administrative rules; the Utilities Division regulatory plan; negotiated interconnection agreements; certification of natural gas providers and aggregators; and telephone programs for deaf, hard of hearing, and speech impaired Iowans. Pages were also developed containing information about proceedings pending before the Board.

### **Annual Utility Financial and Operating Report Filings**

IT staff led the review, revision, preparation, and mailing of the forms on which over 900 Iowa utility companies filed their annual financial and operating reports. After the reports were filed, IT staff analyzed and summarized the completed filings for Board review.

**Network Hardware and Software Enhancements**

IT staff members updated network hardware and software according to replacement cycle plans and completed the migration to Microsoft Office 2000 and Microsoft Exchange/Outlook. They developed and conducted training sessions to assist other employees with the transition to the new software.

**LAN User Group Meetings**

IT staff conducted regular informational meetings on current computer topics to continue the learning process for all employees.

**Information Process Improvements**

IT staff continued development of agency information systems, notably for the Customer Service Section and for the Records and Information Center.

## Policy Development

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### Lisa Stump, Manager

*Lisa Stump has managed the Policy Development Section since the agency's internal restructuring in 1998. Prior to that time, she managed the Research, Economics, and Finance Section. Before joining the Utilities Board, Ms. Stump worked as an economic consultant for Energy and Resource Consultants in Boulder, Colorado, and as aide to the chairman of the Arizona Corporation Commission. Ms. Stump holds a liberal arts degree with an emphasis in business/economics from Bethany College in Lindsborg, Kansas, and a M.S. degree in economics from the University of Wyoming in Laramie.*

The Policy Development Section provides forward-looking quantitative and qualitative analysis into various policy issues in the electric, telephone, and gas industries. Section staff also conducts inquiries, rule makings, special projects, and participates in ratemaking proceedings.

### 2001 Highlights

- Conducted a second assessment of broadband access in Iowa, which included compiling a report to be made available on the Board's web site.
- Continued to lead Board inquiry on electric delivery reliability.
- Continued staff work on energy efficiency and alternative energy.

### Assessing High-Speed Internet Access in Iowa

Staff from the Policy Development Section conducted the second assessment of broadband activities in Iowa. Surveys were mailed to various communications companies in September 2001 to assess current and projected access to high-speed services in Iowa. A report on the assessment entitled "Assessing High-Speed Internet Access in the State of Iowa: Second Assessment" is to be released in February of 2002. The second assessment is a continuation of the first assessment entitled "Assessing High-Speed Internet Access in the State of Iowa" completed in October 2000. Both of these reports will be available on the Board's web site.

### Board Inquiry into Electric Delivery Reliability (Docket No. NOI-00-4)

Policy Development staff is heading up the Board's inquiry into electric delivery reliability. On November 1, 2000, the Iowa Utilities Board opened an inquiry into whether reliability rules are necessary to ensure that emerging competition and other changes in the electric industry do not diminish the quality of service Iowans have come to expect from their electric utilities. The inquiry is limited to electric delivery system reliability and is concerned with such issues as duration and frequency of outages, power quality, and public safety. Twenty-two organizations are participating in this inquiry. In December 2001, a report entitled "Report on Electric Delivery Reliability Inquiry, a Staff Analysis, Docket No. NOI-00-4" was released. This report is available on the Board's web site.

### **Energy Efficiency and Alternative Energy**

Policy Development staff continued its work on energy efficiency and alternative energy during 2001. In June 2001 after it became clear that electric restructuring would be postponed for the foreseeable future, the Board held a workshop on energy efficiency for utilities and other stakeholders. The Board noted that current energy efficiency plans dated back to 1996 and asked the utilities to informally begin the process of developing new plans. The investor-owned utilities responded by hiring consultants and developing data and analyses. New plans are expected to be ready in the fall of 2002. Section staff continued to assist the Governor's Energy Task Force with presentations and research into Iowa's energy efficiency and alternative energy programs. The Governor's Energy Policy Task Force released its recommendations in October 2001.

## Safety and Engineering

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### Donald J. Stursma, Manager

*Donald J. Stursma joined the agency in 1981 as Principal Gas and Water Engineer and was later promoted to manager of the Safety and Engineering Section. He received a degree in civil engineering from Iowa State University in 1974 and is a licensed professional engineer. He is a member and past chairman of the National Association of Pipeline Safety Representatives (NAPSR) and serves on its Grant Allocation/Strategic Planning, Liaison, Articles of Association, and State/Industry Regulatory Review Committees. His other memberships include the NARUC Staff Subcommittee on Pipeline Safety, the American Society of Civil Engineers, and the American Society of Mechanical Engineers B109 Committee and B31 advisory group. He is an Iowa native from the Leighton and Pella area.*

### 2001 Highlights

- A \$22,047 One-Call enforcement grant is obtained for the Attorney General.
- A \$312,500 damage prevention grant is acquired for Iowa One Call.
- A new “Instructions For County Inspectors” manual is issued.
- Forty-five electric franchise petitions are filed with the Board.
- The Board issued 15 new franchises, 5 amendments to existing franchises, and extends 30 expiring franchises.
- Three pipeline permit actions are taken - two new permits and one permit renewal.
- Thirty-five natural gas pipeline operators and 203 electric line operators are inspected for compliance with safety standards.

The Safety and Engineering Section is responsible for the regulation of gas and electric service providers and pipeline and electric transmission and distribution companies as it relates to safety, construction, and operation and maintenance of facilities. The responsibilities of this section include reviewing and processing all petitions for electric transmission lines franchises under Iowa Code chapter 478 and for pipeline permits under Iowa Code chapters 479 and 479B, and conducting inspections of natural gas and electric utilities for compliance with safety standards. It also acts as an interstate agent for the federal Department of Transportation in pipeline safety matters.

### Electric

Forty-five electric franchise proceedings (E-dockets) were initiated in 2001 pursuant to Iowa Code chapter 478. Of the 45 petitions filed, 25 were for new franchise, 7 were for amendment of an existing franchise, and 13 were for extension of franchise. Additionally, 3 proposed electric line projects were assigned docket numbers, but did not progress beyond the informational meeting stage by the end of 2001. Thirteen informational meetings presided over by a Board Engineering staff member were held pursuant to Iowa Code § 478.2. As part of the franchise proceedings, 60 route and/or safety inspections were also conducted.

The Board issued 15 new franchises, 5 amendments to existing franchises, and 30 extensions of expiring franchises in 2001. These include final actions taken on petitions filed in years preceding 2001. One petition filed in 2001 was withdrawn for primarily procedural reasons. The beginning of 2001 revealed 74 petitions pending before the Board - 16 for new franchise or amendment and 58 for extension of franchise. The close of 2001 showed 66 pending petitions - 26 for new franchise or amendment and 40 for extension.

Also in 2001, 201 utilities operating electric supply lines throughout Iowa received a visit from the Board's two electric field inspectors. They inspected records at 267 offices and conducted 741 safety code compliance inspections of electrical lines and facilities. These inspections also reviewed the utilities' compliance with the inspection and maintenance plans required by 199 IAC 25.3.

The utilities filed accident reports with the Board pursuant to 199 IAC 25.5 on twelve electric contact accidents. One of those accidents resulted in fatalities. In addition, the staff investigated and made a recommendation on safety and service matters in one citizen complaint to the Board.

The Engineering staff worked with the Department of Homeland Security and Iowa Homeland Security to identify critical security issues regarding electric transmission lines. The Engineering staff also made four presentations to groups of electric utility personnel. The presentations included information on electric line routing and safety issues, regulatory changes, and instruction on franchise petitions and exhibits.

## **Pipeline**

The Board took action on three dockets for natural gas pipeline permits filed in 2001 pursuant to Iowa Code chapter 479. Included were two petitions for a new permit and one petition to renew the permit for an existing pipeline. One of the petitions for a new permit involved approximately 4.6 miles of pipeline to provide natural gas service to a power plant near Creston in Union County. The second petition for a new permit was for 3.5 miles of pipeline to transport natural gas to a new seed corn drying facility in Poweshiek County. The petition to renew a permit for an existing pipeline concerned 0.75 miles of pipeline in Scott County that provides natural gas to the John Deere plant.

In 2001 as part of a certification agreement under Section 60105(a), Title 49, United States Code, with the U.S. Department of Transportation, Office of Pipeline Safety, the Engineering staff inspected 30 intrastate natural gas operators for compliance with federal pipeline safety standards. This number encompasses 47.9 percent of the intrastate pipeline operators under federal pipeline jurisdiction in Iowa. Intrastate pipeline operators are typically utilities, but the term also includes pipelines owned by industrial end users. Engineering staff spent 405.6 days on 30 intrastate operators. Of that total, 31 days were on transmission pipeline construction and 17.4 were on drug and alcohol testing programs. Five interstate pipeline operators were also inspected in 2001. The Engineering staff spent 32.9 person-days on these inspections.

On December 13, 2001, the Board initiated Docket No. PSA-01-1 to review the safety record of IES Utilities Inc. (IES) with federal and Board safety regulations. This action was taken after Engineering staff inspection reports detailed a significant number of violations on IES' system in 2001 and the preceding two years.

The Board is reimbursed for up to 50 percent of the cost of its natural gas pipeline safety inspection program through a grant from the U.S. Department of Transportation. The grant amount requested for 2001 was \$220,450. The Board received \$168,986 in 2001 for the work done in 2000. The Board obtained a separate federal grant of \$22,047 for use by the Attorney General to enforce Iowa Code chapter 480, the Iowa One-Call law. In addition, the Board was awarded a \$312,500 Damage Prevention Grant for use by the Iowa One Call organization. The purpose of the grant is to enhance operations for community and industry partners with the existing One-Call notification system and provide a means for the state of Iowa to become more current with “Common Ground” best practices.

Twenty-nine accidents, incidents, or service outages were reported in 2001. One was an incident involving jurisdictional piping, 14 were interruptions of service to customers, 11 were courtesy calls involving incidents that were not reportable, but were considered significant enough by the operator to inform the Board, and three were incidents concerning customer piping, propane, and equipment damage. Of the 29 reported, 17 of the accidents, incidents, or outages resulted from third-party damage. Engineering staff investigated three of the incidents.

A new “Instructions For County Inspectors” manual was issued in November 2001. The manual was provided to comply with the provisions of Iowa Code §§ 479.29, 479A.14, and 479B.20, which require that the Board instruct inspectors appointed by the county board of supervisors of the applicable statutes, rules, and responsibilities pertaining to pipeline construction projects. The manual includes sections on the background of the program, the statute and inspector responsibilities, the standards to be used by inspectors, the sequence of a pipeline construction project, and suggested practices for inspection programs.

The Engineering staff worked with the Department of Homeland Security and Iowa Homeland Security to identify critical security issues regarding natural gas pipelines. The Engineering staff also gave three presentations on safety and regulatory matters - one at the American Public Gas Association workshop held in Des Moines and two at meetings of investor-owned utility personnel. In addition, the Engineering staff hosted the Iowa Transportation Safety Institute Seminar. Approximately 80 people representing utility companies across the state of Iowa attended the seminar.

The section manager participated in conferences and on national committees involving grant allocation/strategic planning, rules review, and pipeline safety. The section manager also served as 2000-2001 Chairman for the Central Region of the National Association of Pipeline Safety Representatives.

## Telecommunications

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### John Ridgway, Manager

*John Ridgway joined the Board in July of 2000. He has spent over 35 years in the telecommunications industry in a wide variety of roles. He has previously worked at Qwest, Iowa Network Services, and Teleconnect. John is a member of the NARUC Staff Subcommittee on Telecommunications. John was a member of the inaugural class of Leadership USA and past chair of Leadership Iowa. He holds a B.S. in business management from Upper Iowa University.*

### 2001 Highlights

- Frontier Communications of Iowa transfers control to Citizens Communications.
- Certification of local exchange carriers slows.
- Implementation of 319 area code split. See Docket No. SPU-99-30.
- IUB coordinates inquiry into the efficient use of telephone numbering resources.
- IUB certifies telecommunications carriers for universal service support.
- Relay Iowa use and equipment purchases increase.
- Staff participates in multi-state collaboratives on Qwest's § 271 compliance.

### Competitive Local Exchange Carriers

Thirteen new certificates were applied for and approved. This brings the total certificated carriers in Iowa to 73. This number has dropped significantly due to changes in the industry, revised business plans, and consolidations. Nineteen carriers requested that their certificates be cancelled because they were not doing business in Iowa.

### Municipal Telephone Utilities

Three new applications were received in addition to renewal applications. Twelve municipal telephone companies now have approval.

### Sale of Exchanges, Docket No. SPU-00-15

Citizens Communications completed the purchase of Frontier Communications of Iowa, from Global Crossing Ltd. The Board approved the settlement and established reporting requirements. Frontier of Iowa will continue to operate under its current name.

### Efficient Use of Telephone Numbering Resources, Docket No. NOI-00-3

Board staff held a workshop with telecommunications carriers and their associations to open a dialog on major number conservation issues, including rate center consolidation (RCC) and thousands-block number pooling (TBNP). A subsequent workshop to discuss RCC was held with industry participants from the 319 area code. Board staff proposed several rate center consolidations in the 319 area code. The industry raised many questions and rural carriers requested that Board staff meet with the National Exchange Carrier Association (NECA) to get their input on how RCC would affect revenues for average schedule companies. Board staff met

with NECA representatives and, after consultation, decided to postpone RCC efforts and focus on TBNP and other number conservation measures, due to cost benefit concerns related to RCC.

The Board submitted comments to the FCC on Docket No. 99-200: *The Second Report and Order in the Matter of Numbering Resource Optimization*. The comments addressed two issues crucial to numbering resource optimization in the state of Iowa: the inherent difficulties of rate center consolidation and thousands-block number pooling for carriers who are not local number portability (LNP) capable. The Board also submitted reply comments.

The Board issued an order initiating thousands-block number pooling in the 515 and 641 area codes, designating Telcordia Technologies as Iowa's pooling administrator. Pooling began in August.

The Board again petitioned the FCC to grant authority to begin number pooling in the 319 and 563 area codes and to require non-LNP-capable carriers to participate in pooling. Additionally, the Board submitted comments to the FCC to update and support its petition for number pooling authority in the 319 and 563 area codes and submitted reply comments to refute negative statements filed by other parties and to defend the petition. However, the FCC denied the petition for a second time.

The Board issued an order requiring telecommunications carriers in Iowa to submit a copy of their application for a new or growth central office code (NXX code) to the Board, concurrent with the submission of the application to the NANPA. The order allows Board staff to review the application for compliance prior to NANPA assigning the company an NXX code. This measure is very effective for conserving numbering resources.

The Board also began receiving notification from NANPA when a carrier files for a new NXX code. This allows Board staff to crosscheck the information carriers provided to NANPA with the applications staff receives from carriers.

NANPA released the annual forecast of expected exhaust dates for Iowa's area codes. The data showed promising increases in the life expectancy of Iowa's area codes.

The FCC named Neustar, Inc. as the national TBNP administrator and announced the schedule for national number pooling. All Iowa area codes are scheduled for number pooling within the next two years.

### **Annual Certification For Universal Service Support, Docket No. USP-01-1**

On May 23, 2001, the Federal Communications Commission (FCC) released its Fourteenth Report and Order, in CC Docket No. 96-45, relating to federal universal service funding. The order adopts rules that require state commissions to certify on an annual basis that the local exchange carriers operating in the state are eligible to receive federal universal service support and are using that support only for the intended purposes.

In order to comply with this requirement, the Board issued an order in Docket No. USP-01-1. It required all affected carriers to file an appropriate certification with the Board no later than

September 10, 2001. Nearly all carriers filed by the deadline. Board staff reviewed the list of filings and individually contacted the few carriers that did not file by the deadline. These carriers did file the necessary affidavit with the Board. The Board subsequently filed the list of certified carriers with the FCC and the Universal Service Administration Corporation.

### **Relay Iowa**

Under Title IV of the Americans with Disabilities Act of 1990, dual party relay services must be provided for both interstate and intrastate communications everywhere in the United States no later than July 26, 1993. A working committee was created, headed by the Iowa Utilities Board, to develop recommendations for a dual party relay system. The committee's recommendations resulted in enactment of Iowa Code chapter 477C that created the Dual Party Relay Service. Iowa's provision of dual party relay service was adopted by the legislature and became law in July 1991. The legislation provides that the Iowa Utilities Board will administer the provision of the dual party relay service.

A dual party relay service allows deaf, hearing-impaired, and speech-impaired persons using special equipment known as telecommunications devices for the deaf (TTY) to use the telephone system on a functionally equivalent basis to persons without communications impairments. The service is also for the use of hearing persons and businesses that wish to talk with persons who are deaf, hard-of-hearing, and speech impaired. "Relay Iowa," as the state's dual party relay service is known, has been in operation since August 1, 1992. It is currently provided by Sprint on contract with the Iowa Utilities Board until December 31, 2002, with an optional 2-year extension.

In June 2000 the Federal Communications Commission (FCC) released a report and order that raised minimum standards for dual party relay service (TRS) in the United States. After negotiations with Sprint, an amended contract was agreed upon which became effective on January 1, 2001. The price per minute of relay service increased on that date to provide for the increases in minimum standards required by the FCC order.

Spanish Relay service was offered in Iowa on January 1, 2001, prior to the FCC required date. Speech-to-Speech Relay service began in Iowa on March 1, 2001. Speech-to-Speech service is designed for persons who have difficulty using standard telephone service due to speech impairments. Specially trained Speech-to-Speech Relay operators serve as the speech-impaired user's voice and repeat their responses to the called party.

The 2001 total minutes of use (MOU) of Relay Iowa was 1,946,664 minutes, compared to the 2000 MOU total of 1,925,490 minutes (a 1.1-percent increase). Inbound calls to Relay Iowa increased 9.5 percent, from 328,036 calls in 2000 to 359,228 calls in 2001. In 2001 the average response time was 1.73 seconds. TTY calls made up approximately 68.2 percent of all relay calls, while voice calls accounted for 24.1 percent of relay calls, 7.2 percent were voice carryover calls, and the remaining 0.5 percent were ASCII calls.

Iowa's telecommunications relay service was re-certified by the FCC on June 11, 1998. The original FCC certification expired July 25, 1998. The certification remains in effect for a five-year period, beginning July 26, 1998, and ending July 25, 2003.

### **Equipment Distribution Program**

On January 25, 1995, the equipment distribution program commenced operations in Iowa. The statewide equipment distribution program distributes assistive telecommunications devices to hearing-impaired, speech-impaired, deaf, and deaf-blind Iowans. Deaf Services Unlimited administers this program. Eligible recipients are issued vouchers from the program administrator for 95 percent of the average retail price of the equipment. If the price of the equipment exceeds \$1,000, the voucher is for 99 percent of the average retail price. The recipient has ownership of the equipment and is responsible for repairs. The Board sets a standard voucher amount for each type of equipment or equipment package.

The Board has a contract with Deaf Services Unlimited (DSU) of Des Moines for this distribution and outreach program. Deaf Services Unlimited began its duties as equipment distribution administrator on January 1, 1999, under the program name of Telecommunications Access Iowa (TAI). This two-year contract was extended through December 31, 2001, per the extension provision in the contract. A request for proposals for a vendor to administer Telecommunications Access Iowa was issued on July 12, 2001. The Board awarded the contract to DSU, for the contract period of January 1, 2002, through December 31, 2004, with an optional two-year extension.

In 2001 573 participants in the program received vouchers for equipment valued at \$127,648. The equipment most in demand was the amplified phone. There were 435 amplified phones and cordless amplified phones made available through this program in 2001. In addition, 89 TTYs were distributed. Most deaf recipients request TTYs, whereas persons who are hard of hearing generally prefer the amplified phones.

<i><b>Equipment Description</b></i>	<i><b>Number of Pieces</b></i>	<i><b>Total Amount</b></i>
Amplified phone	435	\$67,062
Speakerphone	1	379
Special requests	1	7,260
Loud ringer, amplifier, ring flasher	13	531
TTY with and without accessories	89	44,664
Voice carryover (VCO) phone with and without accessories	34	7,752
<b>TOTAL</b>	<b>573</b>	<b>\$127,648</b>

### **Local Directory Assistance**

On February 23, 2001, the Board issued an order deregulating local directory assistance. Qwest Corporation had filed a petition asking the Board to deregulate the service on February 11, 2000. A hearing was held in September 2000. One effect of the deregulation order is local exchange carriers are no longer required to provide certain directory assistance calls at no charge. Nevertheless, in deregulating the service the Board stated that local exchange carriers should continue not charging handicapped customers for the service.

### **Qwest Corporation's Section 271 Compliance Reviews**

Section 271 of the 1996 Telecommunications Act sets the conditions Bell Operating Companies, such as Qwest, must meet prior to being allowed to enter the market as in-region providers of interLATA services. In general, compliance with section 271 would mean that Qwest has opened its local exchange network to competition. Ultimately, the FCC will determine whether Qwest is in compliance with section 271. However, that determination will be made after consulting with state commissions and the Department of Justice. Beginning in 2000 and continuing throughout 2001 the Board participated in three collaboratives, along with other states in Qwest's 14-state region, to more efficiently review Qwest's Section 271 compliance.

### **Thirteen-State OSS Collaborative**

Operational Support Systems (OSS) are the methods, procedures, and systems (often computers) that support the daily operations of Qwest's telephone infrastructure. Nondiscriminatory access to OSS is a prerequisite to the development of meaningful local competition because access to Qwest's OSS provides a competitor with the ability to order new services for its customers and to communicate with Qwest on basic activities such as providing repair and maintenance service for customers. Qwest must show there is this nondiscriminatory access to OSS prior to any regulatory approval to offer long distance services.

This collaborative involves 13 of the 14 states served by Qwest. The Executive Committee and Steering Committee include commissioners and staff from the states. A Technical Advisory Group consists of industry participants in addition to state commission staff members. The National Regulatory Research Institute, NARUC's research affiliate, serves as the Administrative Coordinator. Maxim Telecom Group (MTG) is Project Administrator.

The OSS test is utilizing three additional vendors to conduct the testing. KPMG Consulting is the overall test administrator and is responsible for the final report. Hewlett Packard Consulting has taken on the role of a newly established competitive local exchange carrier (pseudo CLEC) to serve as an unbiased vehicle for testing Qwest's systems, documentation, and processes. Liberty Consulting is to conduct audits to ensure that all aspects of Qwest's wholesale performance measures and retail parity standards comply with the collaboratively developed performance measurement definitions. The test began in 2000 and continued throughout 2001. Completion is expected in early 2002. The test is being conducted using the concept of "military style" testing which requires each individual test to be repeated until it has been successfully performed. The nature of a military style test as well as changes to the performance measures have contributed to the lengthiness of the test.

### **Seven-State Collaborative**

The seven-state collaborative addresses Qwest's compliance with the section 271 competitive checklist, section 272 nondiscrimination safeguards, Track A, and Public Interest. Liberty Consulting was hired to coordinate this multi-state proceeding and workshops. Prior to each workshop Qwest and intervenors file testimony relating to Qwest's compliance. The purpose of the workshops is to bring open issues to resolution. At the conclusion of the workshops, Liberty reports to the state commissions on resolutions reached. More importantly, Liberty makes recommendations for commission action on those issues not resolved at the workshops. State

commissions are free to accept, reject, or modify Liberty's recommendations. In 2001, the Board issued four "Conditional Statements" approving most of the section 271 competitive checklist items.

### **Nine-State Performance Assurance Plan Collaborative**

The FCC has recognized that a performance assurance plan (PAP) is one method of demonstrating that markets will remain open to competition once a Regional Bell Operating Company, such as Qwest, gains authority to provide interLATA long-distance service. A performance assurance plan is a mechanism to insure that Qwest remains in compliance with the various requirements of section 271 after receiving interLATA authority from the FCC. A performance assurance plan would subject Qwest to monetary penalties should "backsliding" occur after being granted section 271 authority.

Initially, Iowa was among 11 states that participated in a process known as the Post-Entry Performance Plan (PEPP) collaborative. Through May of 2001, five separate multi-day workshops were convened, numerous conference calls were placed, and a large quantity of information, proposals, and supporting data were exchanged and reviewed in an attempt to create a "consensus plan." Following the conclusion of the PEPP process, the Board joined a nine-state collaborative to develop Qwest's performance assurance plan (QPAP). Liberty Consulting was again hired to facilitate the collaborative and workshops. Testimony was filed and workshops were conducted in the summer and fall of 2001. In October 2001 Liberty submitted its QPAP report to the states for consideration. The report outlined 68 issues that remained at impasse following the collaborative workshops, as well as numerous recommendations by Liberty for inclusion in a final QPAP. After a full review, the Board will issue a statement concerning each of the impasse issues related to Qwest's PAP in early 2002.

### **Alternative Pricing Proposals**

*Alternative pricing proposal (APP) dockets are initiated when a utility files a proposal to set rates that are not based on traditional rate-regulation factors.*

#### **APP-96-1 (RPU-96-8, RFU-01-4)**

##### **MidAmerican Energy Company**

On June 4, 1996, MidAmerican filed an alternative electric pricing plan designed as a transition toward competitive, market-based electric prices and services for MidAmerican's customers. The plan also included a pledge not to raise electric rates until June 1, 2001, as well as a reduction of current rates to move prices toward a market proxy developed by MidAmerican. The case was docketed on July 3. On August 1 Consumer Advocate filed a petition to reduce MidAmerican's electric rates by \$101.5 million, or 10.7 percent. Consumer Advocate later reduced that amount to \$82.2 million, or 9 percent. On September 6 the Board docketed Consumer Advocate's request as RPU-96-8 and consolidated it with Docket No. APP-96-1. On October 24 the Board approved a reduction in MidAmerican's electric rates of \$8.7 million. On March 10, 1997, a proposed settlement was filed by some of the parties, including MidAmerican and the Consumer Advocate, which would resolve all outstanding issues in Docket Nos. APP-96-1 and RPU-96-8 with the exception of the Public Programs Charge (PPC) proposed by MidAmerican. The PPC was MidAmerican's proposal to show energy efficiency and alternative energy costs as a line item charge on customer bills. The settlement reduced MidAmerican's electric base rates by an additional \$25 million. It reduced residential rates by approximately \$10 million. The reduction would be utilized to reduce the rate gap in

MidAmerican's three pricing zones.

Residential rates would be reduced by an additional \$5 million on June 1, 1998. Commercial and small general service customers would have \$4 million available for customer savings/price reductions in pilot projects. Industrial and large general service customers would have \$6 million available. If any amounts remained available on June 1, 1998, there would be a base rate reduction for those classes. The settled rates incorporated decommissioning costs for two nuclear plants, Quad Cities Station Units 1 and 2. The settlement was effective until December 31, 2000, after which any signatory could file with the Board a petition to increase or decrease MidAmerican's electric rates. The Board approved the settlement agreement on June 27 and granted the motion to bifurcate consideration of the settlement from the remaining contested issue, the Public Programs Charge (PPC). On August 5 the Board conditionally approved the PPC contingent upon approval of a public education campaign designed to inform MidAmerican's customers on the benefits of the items to be included in the PPC – energy efficiency, alternate energy, and the alternate loan fund. MidAmerican filed its proposed public education campaign on September 15. The Board rejected the campaign on May 21, 1998. (See Docket No. APP-97-2.)

Also in the June 27 settlement agreement, MidAmerican agreed to negotiate with the signatories of the settlement to develop a

Market Access Service Pilot (MAS) for commercial and industrial customers. On September 5 MidAmerican filed with the Board a proposed MAS tariff, TF-97-229, which would allow MidAmerican's commercial and industrial customers to purchase electric service on an unbundled basis. Customers would be allowed a choice of suppliers for capacity, energy, and some associated services. The tariff was approved on August 21, 1998.

On December 31, 1998, the Board conditionally approved a tariff (TF-98-324) filed by MidAmerican that reduced certain commercial and small general service rates effective January 1, 1999. MidAmerican stated it had negotiated contract reductions totaling \$2.544 million. Under the terms of the settlement, MidAmerican said base rates to non-contract commercial and small general service customers should be reduced by \$1.456 million on January 1, 1999. Because MidAmerican was still preparing its calculations, the Board allowed the reduction to begin; however, it would evaluate further reductions pending review and investigation.

On December 18, 1998, the Board issued an order requesting additional information from MidAmerican concerning its flexible rate contracts. Specifically, MidAmerican was directed to file all standard contract forms, all nonstandard terms and conditions that MidAmerican included in any negotiated-price contracts that had been executed, and a summary of the number of customer contracts that included each standard or nonstandard clause. On January 15, 1999, MidAmerican filed with the Board approximately 30 draft contracts representing the general terms and conditions of the initial offers MidAmerican made to its customers. An order issued on April 15 states that MidAmerican agreed,

without admitting any wrongdoing, to waive certain provisions included in the contracts, that would add to the customer's rights. On February 15, 1999, MidAmerican filed its return on common equity calculations for 1998 pursuant to the settlement agreement. If MidAmerican's return on equity exceeded 12 percent, the settlement required MidAmerican to return 50 percent of the excess earnings to noncontract customers. MidAmerican showed an equity return of 12.33 percent, resulting in a refund of \$2,203,000 due to customers. Also, MidAmerican was to refund \$1,314,833 to non-contract commercial customers. The Board approved the plan on April 14. On September 2 MidAmerican filed its refund report. On October 5 the Board accepted the refund report. The total amount refunded was \$3,597,648.13.

On March 26 MidAmerican filed a proposed electric interruptible replacement rider (TF-99-94). The proposed tariff would initially be implemented in the East system only, but would later be extended to the entire system. The tariff fulfilled a commitment made in the settlement to develop an interruptible buy-through tariff. Consumer Advocate objected to the tariff on April 23. On May 17 a proposed settlement agreement was filed. A hearing on the settlement was held on November 2.

On February 15, 2000, MidAmerican filed a 14.17 percent return on common equity calculations for 1999. On March 1 MidAmerican filed a motion for approval of a revenue sharing plan that would refund \$14,851,185 to all non-contract customers. On March 31 the Board approved the plan.

On January 22, 2001, MidAmerican filed a 14.9 percent return on common equity calculation for 2000. On January 22 MidAmerican and Consumer Advocate filed

a motion for approval of a revenue sharing plan that would refund approximately \$21.6 million to all non-contract customers. On January 25 the Board approved the revenue sharing plan filed by MidAmerican and directed the company to file a refund report within 90 days of completion of the refunds. The settlement required MidAmerican to return to non-contract customers 50 percent of excess earnings above a 12 percent return on equity. On July 13 MidAmerican filed its refund report, which was identified as Docket No. RFU-01-4. Board approval of the refund report is pending.

## **Annual Review of Electric Fuel Procurement Plans**

*Iowa Code § 476.6(16) directs the Utilities Board to conduct a periodic proceeding (ARC) to evaluate the reasonableness and prudence of each rate-regulated public utility's procurement and contracting practices relating to the acquisition of fuel for use in generating electricity.*

### **ARC-01-150 Interstate Power Company ARC-01-151 IES Utilities Inc.**

The Board notified Interstate Power Company and IES Utilities Inc. by order issued January 19, 2001, that the Board intended to conduct a contested case proceeding to evaluate Interstate's and IES's electric fuel procurement and contracting practices. Interstate and IES were required

to file a joint fuel procurement plan. On May 15 Interstate and IES filed their joint electric fuel procurement plan. On June 19 the Board docketed the case and established a procedural schedule. A hearing was held on October 15. The Board's decision in the case is pending.

## **Certified Gas Provider (CGP)**

*The Board implemented new rules establishing the criteria for certification of competitive natural gas providers on April 25, 2001. Iowa Code § 476.87 requires that a competitive natural gas provider or aggregator must reasonably demonstrate managerial, technical, and financial capability sufficient to obtain and deliver the services it proposes to offer. The filing requirements established by the Board for such certificates are found in 199 IAC 2.2(18) and 199 IAC 19.14. The rules allow certified competitive natural gas providers to pool transportation service to Iowa small-volume business and residential customers for the first time. Competitive natural gas providers have served large industrial customers in Iowa for many years with requirements of large-volume transportation tariffs. Large-volume competitive natural gas providers are also required to become certified under the new rules.*

### **CGP-01-1 U.S. Energy Services, Inc.**

On May 22, 2001, U.S. Energy filed an application requesting the issuance of a certificate as a competitive natural gas provider. On July 20 the Board notified U.S. Energy that the application was complete and the 90-day review period had begun. On October 17 the Board issued an order approving the application concurrently with a certificate as a competitive natural gas provider. U.S. Energy stated that it only intends to provide service to large volume customers and the certificate issued only authorizes service to large volume customers.

### **CGP-01-2 Nicor Energy, L.L.C.**

On May 29, 2001, Nicor filed an application requesting the issuance of a certificate as a competitive natural gas provider. On June 15 the Board notified Nicor that the application was complete and the 90-day review period had begun. On July 5 the Board issued an order approving the application concurrently with a certificate as a competitive natural gas provider. Initially, Nicor plans to provide service to large volume customers, but may consider expanding its market scope to provide gas to small volume users in the future. The certificate issued authorizes Nicor to provide

service to large and small volume customers in Iowa.

### **CGP-01-3 TransCanada Energy Marketing USA, Inc.**

On May 30, 2001, TransCanada filed an application requesting the issuance of a certificate as a competitive natural gas provider. TransCanada was notified of deficiencies and on July 20 the Board notified TransCanada that the application was complete and the 90-day review period had begun. On October 1 the Board issued an order approving the application and granting TransCanada a certificate to provide large volume service as a certified natural gas provider in Iowa.

### **CGP-01-4 Dynergy Marketing and Trade**

On May 31, 2001, Dynergy filed an application requesting the issuance of a certificate as a competitive natural gas provider. On July 5 the Board notified Dynergy that the application was complete and the 90-day review period had begun. On August 6 the Board issued an order approving the application concurrently with a certificate as a competitive natural gas provider. Dynergy stated that it only intends to provide service to large volume customers

and the certificate issued only authorizes service to large volume customers.

**CGP-01-5 Otter Tail Energy Service Company**

On May 31, 2001, Otter Tail filed an application requesting the issuance of a certificate as a competitive natural gas provider. On July 20 the Board notified Otter Tail that the application was complete and the 90-day review period had begun. On October 17 the Board issued an order approving the application concurrently with a certificate as a competitive natural gas provider. The certificate issued authorizes Otter Tail to provide service to large and small volume customers in Iowa.

**CGP-01-6 U.S. CoEnergy Services**

On June 1, 2001, U.S. CoEnergy filed an application requesting the issuance of a certificate as a competitive natural gas provider. On June 5 the Board notified U.S. CoEnergy that the application was complete and the 90-day review period had begun. On August 31 the Board issued an order approving the application concurrently with a certificate as a competitive natural gas provider. U.S. CoEnergy stated that it only intends to provide service to large volume customers and the certificate issued only authorizes service to large volume customers.

**CGP-01-7 TXU Energy Trading Company, d/b/a TXU Energy Services**

On June 1, 2001, TXU filed an application requesting the issuance of a certificate as a competitive natural gas provider. On June 7 the Board notified TXU that the application was complete and the 90-day review period had begun. On September 5 the Board issued an order approving the application concurrently with a certificate as a competitive natural gas provider. The certificate issued authorizes TXU to provide

service to large and small volume customers in Iowa.

**CGP-01-8 Alliance Energy Services Partnership**

On June 4, 2001, Alliance filed an application requesting the issuance of a certificate as a competitive natural gas provider. Alliance was providing service to large volume customers in Iowa prior to implementation of competitive natural gas provider certification rules. On June 18 Alliance filed additional information to complete its application. On July 20 the Board notified Alliance that the application was complete and the 90-day review period had begun. On October 19 the Board issued an order extending the review period to December 17. On November 30 the Board issued an order approving the application concurrently with a certificate as a competitive natural gas provider. The certificate issued only authorizes Alliance to provide service to large volume customers in Iowa.

**CGP-01-9 (WRU-01-32-3572) Tiger Natural Gas, Inc.**

On May 31, 2001, Tiger filed a request for a waiver of the June 1, 2001, deadline for filing an application for a competitive natural gas provider certificate. Tiger requested an extension until June 8 and filed an application requesting the issuance of a certificate as a competitive natural gas provider before the Board could issue an order granting the waiver request. The Board treated the waiver as having been granted and began processing the application. By letter dated June 18, the Board notified Tiger that its application was incomplete and needed to be updated. Tiger did not respond to the Board inquiries in 2001. Other Board attempts to contact Tiger were unsuccessful. The docket is pending.

**CGP-01-10 (WRU-01-26-3562)**

**NorthWestern Energy, A Division of NorthWestern Services Group, Inc.**

On June 13, 2001, NorthWestern filed an application requesting the issuance of a certificate as a competitive natural gas provider. The Board had granted NorthWestern a waiver of the June 1 filing deadline by order issued May 31. On June 15 the Board notified NorthWestern that the application was complete and the 90-day review period had begun. On September 13 the Board issued an order extending the review period. On October 1 the Board issued an order approving the application concurrently with a certificate as a competitive natural gas provider. NorthWestern stated that it only intends to provide service to large volume customers and the certificate issued only authorizes service to large volume customers.

**CGP-01-11 (WRU-01-31-3567) U.S. Enron Energy Services, Inc.**

On June 4, 2001, Enron filed a request for a waiver of the requirement (for existing large service providers in Iowa) to file by June 1 an application requesting the issuance of a certificate as a competitive natural gas provider. The Board granted the waiver by order issued June 7 and gave Enron until July 2 to file the application. On August 24 Enron filed the application requesting issuance of a certificate as a certified natural gas provider. On August 29 the Board notified Enron that the application was complete and the 90-day review period had begun and was scheduled to conclude by November 27. On November 26 Enron filed a letter limiting its application for approval to serve large volume customers only. By order issued November 27 the Board extended the determination date of the application an additional 60 days to January 25, 2002, to allow Enron to file additional information concerning the application. The

Board's decision on the application is pending.

**CGP-01-12 Iowa Joint Utility Management Program, Inc. (IJUMP)**

On August 30, 2001, IJUMP filed an application requesting the issuance of a certificate as a competitive natural gas provider. On September 10 the Board notified IJUMP that the application was complete and the 90-day review period had begun. On October 31 the Board issued an order approving the application concurrently with a certificate as a competitive natural gas provider. In its written order, the Board found that IJUMP had sufficient financial resources to provide competitive natural gas service to small volume customers as an aggregator. The Board also found that if IJUMP decides to become a marketer and take title to the gas, it must first file for an amended certificate. The certificate issued to IJUMP is as an aggregator of natural gas service.

**CGP-01-13 (WRU-01-33-3573) Virginia Power Energy Marketing, Inc.**

On June 4, 2001, Virginia Power filed a request for a waiver of the requirement (for existing large service providers in Iowa) to file by June 1 an application requesting the issuance of a certificate as a competitive natural gas provider. The Board granted the waiver by order issued June 7 and gave Virginia Power until July 1 to file the application. Virginia Power subsequently informed the Board that it would not be able to meet the July 1 deadline, because of difficulty obtaining information from its various affiliates. On October 11, 2001, Virginia Power filed an application requesting the issuance of a certificate as a competitive natural gas provider. Virginia Power was notified of some deficiencies in its application. On October 17 the Board notified the company that the application

was complete and the 90-day review period had begun. Virginia Power stated that it would only provide service to large service customers. The docket is pending.

## **Arbitrations**

*Section 252(b) of the Telecommunications Act of 1996 gives the Board the authority to arbitrate the rates, terms, and conditions of interconnection agreements between competitors and incumbent local exchange providers (ARB).*

### **ARB-00-2 (NIA-01-6) Qwest Corporation and FiberComm, L.C.**

On October 30, 2000, FiberComm filed a petition requesting arbitration of the unresolved issues in the interconnection negotiations between itself and Qwest. The unresolved issues identified in the petition were whether and to what extent Qwest would implement performance financial incentives to assure the performance of its contractual obligations in accord with the service performance indicators specified in the interconnection agreement. The Board

docketed the petition on November 21 and held a prehearing conference on December 1. On March 9, 2001, Qwest and FiberComm filed a negotiated interconnection agreement for Board review that resolved all outstanding issues issued to be addressed by the arbitration proceeding. On March 23 the Board issued an order identifying the filing as Docket No. NIA-01-6. After allowing 30 days for written comments from any interested party (none were received), the Board approved the agreement in an April 24 order.

## **Declaratory Rulings**

*Declaratory ruling proceedings (DRU) may be initiated either upon request or by the Utilities Board itself. DRUs offer the Board's interpretation of the rules in their application to a particular hypothetical circumstance.*

### **DRU-00-2 (SPU-00-7) U S West Communications, Inc.**

On May 19, 2000, U S West filed a petition for declaratory order regarding the exchange of local traffic by wireless and other local calling entities transiting U S West's facilities. U S West's petition alleged that the originating and terminating companies must reach their own agreements as to the terms and technical conditions for the exchange of local traffic, even though U S West facilities are being used for transit traffic. The Board refused to issue a declaratory order on three grounds: 1) the order would determine the legal rights of persons not included in the DRU docket, 2) the situation is more factually complex than the filing indicates, and 3) the questions presented are more properly resolved in a contested case. In its order issued June 19, 2000, the Board denied the declaratory ruling and directed an SPU docket be opened to address the issues raised in the petition. On June 23, 2000, the Board docketed the matter as Docket No. SPU-00-7 to allow an opportunity for discovery and to develop a full and complete record as it applies to the entire telecommunications industry. A technical workshop was held on August 7. A hearing was held February 13-15, 2001, and continued March 7-9 and April 17-20. On October 25 the Board by written order designated Board member Diane Munns as the presiding officer in the docket. The proposed decision and order was issued on November 26. It concluded that federal law defines the wireless traffic issue as "local," so access charges do not

apply. The wireless carriers are entitled to interconnect directly with the independent local exchange carriers on a bill-and-keep basis, pursuant to Board and FCC rules. Qwest is entitled to compensation for carrying this traffic, but has no obligation to pay access or other terminating fees because this is local traffic. If the wireless carriers want to use Iowa Network Systems (INS) facilities for an indirect connection, they may do so, but INS is entitled to compensation for providing those services. On December 11 INS, the Rural Independent Telephone Association, Qwest, Iowa Telecommunications Association, and Central Scott Telephone Company filed notices of appeal. On December 21 the Board issued an order establishing a procedural schedule for the appeal. Responses to the notices of appeal filed in the docket are to be filed by January 11, 2002.

### **DRU-01-1 (WRU-01-8) Northern Iowa Windpower, L.L.C.**

On February 19, 2001, Northern Iowa Windpower filed a request for a declaratory ruling or, in the alternative, for a waiver of the generating certificate requirements of Iowa Code chapter 476A. Northern planned to build 89 wind generator turbines in Worth County and sell power produced to Interstate Power Company. The individual wind turbine generators would have a maximum nameplate generating capacity of 900 kW each, for a total project nameplate capacity of 80.1 MW. No objections to the petition

were filed. On March 20 the Board granted the petition for a declaratory ruling.

### **DRU-01-2 Iowa Association of Electric Cooperatives**

On May 24, 2001, the Iowa Association of Electric Cooperatives (IAEC) filed with the Board a petition for a declaratory ruling concerning the impact of Iowa Code chapter 554D (Uniform Electronic Transmission Act) upon certain provisions of 199 IAC 19.4 and 20.4. In summary, the IAEC asked that the Board determine that energy bills, payment agreements, and disconnection notices can be provided by electronic means. The Consumer Advocate intervened and responded to the petition on June 7. Consumer Advocate asked the Board to allow electronic delivery of energy bills, with consent of the customer, but not allow electronic delivery of payment agreements and disconnect notices. On June 22 the Board issued a declaratory ruling, allowing electronic delivery of energy bills, with customer consent, but not allowing exclusive electronic delivery of other notices. The Board stated in the order that it was concerned that allowing payment agreements and disconnect notices to be transmitted only by electronic means could cause substantial harm to customers.

### **DRU-01-3 Corn Belt Power Cooperative**

On September 4, 2001, Corn Belt filed a request for a declaratory order on the meaning and application of certain provisions of Iowa Code §§ 478.1 and 478.2 (2001) and 199 IAC 11.3(6). This dealt primarily with electric transmission line informational meetings. Corn Belt stated the ruling was requested to avoid unnecessary costs and delays associated with informational meetings where there is no statutory requirement that they be held and clarify franchise petition requirements. On October 2 an informal meeting was held

with representatives from Corn Belt, the Consumer Advocate Division of the Department of Justice, and Board staff in attendance. Four scenarios were presented by Corn Belt. Under all four scenarios, the length of transmission line that is located on private property (excluding any property owned by the utility or end-use consumer or located within city boundaries) is less than one mile. In the order, the Board stated that it does not believe an informational meeting is required in such situations, which is consistent with Iowa Code chapter 478 and the Board's past practice. Iowa Code § 478.1 determines when a franchise is required, not when an informational meeting is required, which is defined in Iowa Code § 478.2. Under § 478.1, a franchise is not required for transmission lines located within the boundaries of a city, electric lines constructed "entirely" within boundaries of land owned by the utility, or the property of the end-use consumer (if transmission or distribution of electric power is the primary purpose). In all four scenarios presented by Corn Belt, a franchise would be required, because at least a portion would be located on other private property. Under § 478.2, "transmission line" is defined for the purposes of the informational meetings section only as any line extending a distance of not less than one mile across privately owned real estate. No informational meeting is required when there is less than one mile crossing private property. This construction had never before been formalized by rule or declaratory order, although Board staff had previously advised potential franchise petitioners that it was their belief an informational meeting was not required in such situations. The Board's October 19 declaratory order, granting Corn Belt's request to the extent discussed, formalized construction in such situations.

## Electric Franchises

*A franchise is the authorization by the Utilities Board for the construction, erection, maintenance, and operation of an electric transmission line under Iowa Code chapter 478. The granting of a franchise requires a finding by the Board that the project is necessary to serve a public use, represents a reasonable relationship to an overall plan of transmitting electricity in the public interest, and follows an acceptable route.*

### Electric Franchise Actions in 2001

<b>New</b>	<b>Filed</b>		
E-21538	Filed 12/22/00	IES Utilities	Franchise issued 3/20/01
E-21531	Filed 10/3/00	CIPCO	Franchise issued 3/27/01
E-21401	Filed 8/21/00	Dairyland Power	Franchise issued 3/30/01
E-21528	Filed 12/6/00	CIPCO	Franchise issued 3/30/01
E-21497	Filed 11/6/00	IES Utilities	Franchise issued 5/2/01
E-21523	Filed 1/11/01	MidAmerican	Franchise issued 7/12/01
E-21541(C)	Filed 2/13/01	CIPCO	Franchise issued 7/23/01
E-21451*	Filed 6/5/00	NIPCO	Franchise issued 8/3/01
E-21546	Filed 4/20/01	NIPCO	Franchise issued 8/13/01
E-21547	Filed 4/20/01	NIPCO	Franchise issued 8/13/01
E-21509(C)	Filed 3/2/00	CIPCO	Franchise issued 9/17/01
E-21521	Filed 5/9/01	NIPCO	Franchise issued 9/17/01
E-21534	Filed 5/1/01	MidAmerican	Franchise issued 9/19/01
E-21543	Filed 5/7/01	MidAmerican	Franchise issued 9/25/01
E-21448	Filed 5/14/01	Dairyland Power	Franchise issued 10/22/01

(\*) E-21451 originally sought eminent domain (ED) and had an objection. After the route was revised 4/23/01 the scheduled hearing was cancelled, ED dropped, and the objection withdrawn.

### Amendments

E-21412(A2)	Filed 11/17/00	IES Utilities	Amendment issued 3/20/01
E-21151(A1)	Filed 5/10/01	MidAmerican	Amendment issued 9/17/01
E-21151(A2)	Filed 5/7/01	MidAmerican	Amendment issued 9/17/01
E-21147(A2)	Filed 7/24/01	IES Utilities	Amendment issued 11/8/01
E-20950(A2)	Filed 7/31/01	IES Utilities	Amendment issued 12/21/01

**Extensions**

E-21436	Filed 3/12/99	Corn Belt	Franchise extended 2/06/01
E-21465	Filed 7/16/99	CIPCO	Franchise extended 2/6/01
E-21518	Filed 6/8/00	CIPCO	Franchise extended 2/19/01
E-21437	Filed 3/12/99	Corn Belt	Franchise extended 2/21/01
E-21440	Filed 3/23/99	Corn Belt	Franchise extended 2/23/01
E-21527	Filed 8/24/00	Interstate Power	Franchise extended 4/10/01
E-21472	Filed 8/16/99	CIPCO	Franchise extended 4/20/01
E-21470	Filed 8/10/99	CIPCO	Franchise extended 4/27/01
E-21453	Filed 6/9/99	Corn Belt	Franchise extended 5/10/01
E-21441	Filed 3/23/99	Corn Belt	Franchise extended 5/22/01
E-21537	Filed 11/17/00	IES	Franchise extended 5/22/01
E-21428	Filed 2/3/99	MidAmerican	Franchise extended 6/7/01
E-21455	Filed 7/1/99	MidAmerican	Franchise extended 6/7/01
E-21458	Filed 7/7/99	CIPCO	Franchise extended 6/28/01
E-21429	Filed 2/3/99	MidAmerican	Franchise extended 7/23/01
E-21430	Filed 2/3/99	MidAmerican	Franchise extended 7/31/01
E-21431	Filed 2/3/99	MidAmerican	Franchise extended 7/31/01
E-21530	Filed 9/25/00	Spencer Municipal	Franchise extended 9/19/01
E-21519	Filed 6/8/00	Corn Belt	Franchise extended 9/25/01
E-21542	Filed 3/1/01	Interstate Power	Franchise extended 10/8/01
E-21452	Filed 5/28/99	Corn Belt	Franchise extended 10/16/01
E-21491	Filed 12/22/99	MidAmerican	Franchise extended 10/16/01
E-21526	Filed 8/3/00	Interstate Power	Franchise extended 10/16/01
E-21517	Filed 6/6/00	Paullina Municipal	Franchise extended 10/16/01
E-21525	Filed 8/3/00	Interstate Power	Franchise extended 10/22/01
E-21459	Filed 7/7/99	CIPCO	Franchise extended 11/19/01
E-21463	Filed 7/12/99	CIPCO	Franchise extended 11/29/01
E-21464	Filed 7/12/99	CIPCO	Franchise extended 11/29/01
E-21444	Filed 4/19/99	Corn Belt	Franchise extended 12/14/01
E-21499	Filed 1/13/00	CIPCO	Franchise extended 12/14/01

**Other Actions**

E-21454	Filed 7/1/99	MidAmerican	Withdrawn 4/6/01
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The franchises issued to Mt. Pleasant Municipal on October 8, 1998, in Docket Nos. E-21312 and E-21313 (petitions were originally filed in late 1995) were appealed to Henry County District

Court on October 13, 1998. The court ruled in favor of Board on July 27, 1999, and that decision was appealed to the Iowa Supreme Court on August 25, 1999. Oral argument was held on May 25, 2001. Petition for extension of time to construct was filed on July 13, 2001, and granted on September 6, 2001. **THE IOWA SUPREME COURT UPHELD THE BOARD DECISION ON SEPTEMBER 6, 2001.**

**2001 Summary**

New Franchises	15
Amendments	5
Franchise extensions	30
Total Franchises or Amendments issued:	50

**Other Data**

Temporary Construction Permits	0
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Dockets closed

Petition withdrawn	1
2-year window following informational meeting expired	0

Informational meetings held:	13
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**Remarks**

- (A) Amendment to franchise and amendment number
- (B) Includes Temporary Construction Permit request.
- (C) Existing line apparently never franchised or with franchise expired.

## **Formal Complaints**

*Formal complaint investigations (FCUs) are brought against a utility by another utility, a customer, or by the Utilities Board. FCU dockets are intended to determine if, in a specific instance, a utility violated Iowa law, rules, or the utility's own tariff.*

### **FCU-96-6 McLeodUSA Telecommunications Services v. U S West Communications, Inc., n/k/a Qwest Corporation**

On July 12, 1996, McLeodUSA filed a complaint against U S West. The complaint presented issues concerning Qwest's processing of McLeodUSA's service orders for resale service. On October 10, 1996, the Board issued an order concluding that Qwest discriminated against McLeodUSA by providing local exchange telephone service and essential facilities to McLeodUSA on terms and conditions less favorable than it provides for itself. The parties subsequently filed a stipulation to keep the record open in the docket while they addressed McLeodUSA's concerns. They also agreed to file periodic joint reports with the Board, detailing their efforts to establish more efficient ordering and provisioning measures. On June 25, 1998, the Board approved the request to keep the record open in the docket. On March 26, 1999, the Board issued an order allowing Qwest to conduct a third-party evaluation by Telcordia Technologies, f/k/a Bell Communications Research, to determine changes to Qwest's systems that would be necessary to implement flow-through order processing. The parties started filing monthly status reports in September 1999, which continued through January 2001. On October 26, 2001, the Board issued an order providing notice that the docket would be terminated in 30 days. The Board stated it appeared the conditions imposed upon the

parties to develop an interface with flow-through capabilities had been met. The Board stated it further appeared McLeodUSA's concerns addressed in this docket are being reviewed and evaluated through the Regional Oversight Committee's test of Qwest's Operation Support Systems in Docket No. INU-00-2. That docket involves developing the record for Qwest's application to the Federal Communications Commission to enter the long-distance market.

### **FCU-99-3 Mr. and Mrs. Gregory Swecker v. Midland Power Cooperative**

Mr. and Mrs Swecker, who wanted to interconnect their wind generators with their electric service provider, Midland, filed a request for formal complaint proceedings on May 5, 1999. The customers alleged Midland discriminated against them by establishing a separate tariff for co-generators and by imposing certain requirements on them to interconnect their wind generators to Midland's system. The complaint was docketed on June 23. A hearing was held on November 23 and 24. The administrative law judge issued a proposed decision and order on March 28, 2000. The decision held that the separate tariff for co-generators was discriminatory, that one interconnection requirement was discriminatory, and that the remaining interconnection requirements were not discriminatory. On April 10 Midland, CIPCO, and the Iowa Association of Electric Cooperatives filed a joint motion to

reconsider and a joint motion to reopen the hearing. The parties requested the ALJ to find that the 12-day disconnect notice was not an issue before the ALJ and to rescind the ruling. In the alternative, the parties requested the record be reopened for the limited purpose of accepting additional evidence and review of the same issue. On April 26 the ALJ denied the motion regarding the 12-day notice and granted the motion to reopen the hearing. On May 18 the ALJ issued an order amending only the issue of the disconnection of power to the Sweckers' farm allowing Midland to charge the Sweckers the trip charge and the reconnection fee because it had properly disconnected the Sweckers. On June 21 the Board issued an order specifying issues to be decided on appeal. On August 25 the Board affirmed the proposed decision of the ALJ as modified on May 18. On September 14 Consumer Advocate filed for rehearing, asking the Board to reverse the ruling with respect to the application of Iowa Code §§ 476.41-45 to electric cooperatives. The Board denied the application on October 6.

On November 6, 2000, Consumer Advocate filed a petition for judicial review in Polk County District Court, identified as AA No. 3557. Of the eight issues decided by the Board, two were appealed to district court, one by Consumer Advocate and one by the Sweckers. On July 24, 2001, the Polk County District Court issued a ruling affirming the Board's order in Docket No. FCU-99-3, Greg and Beverly Swecker v. Midland Power Cooperative. Consumer Advocate appealed to the Iowa Supreme Court on August 23, 2001. Consumer Advocate and the Board filed initial briefs in the Iowa Supreme Court in November 2001. The Iowa Supreme Court case is pending.

**FCU-00-3 Fibercomm, L.C., Forest City Telecom, Inc., Heart of Iowa Communications, Inc., Independent Networks, L.C., and Lost Nation-Elwood Telephone Company v. AT&T Communications of the Midwest, Inc.**

On August 16, 2000, the complainants jointly filed a complaint asking the Board to prohibit AT&T from withdrawing its interexchange services from certain CLECs serving rural Iowa. The Board docketed the complaint on September 18. A meeting to clarify the facts and resolve differences was held on October 10. A hearing was set for January 30 and 31, 2001, but was later rescheduled for February 21-23. On January 30 AT&T filed a motion to stay the case proceedings pending a decision of the FCC on issues involving interstate terminating access service. On February 5 the complainants filed resistance to AT&T's motion to stay, stating that their complaint involves intrastate billings and tariffed rates within the jurisdiction of the Board. No part of the complaint involves any interstate billings or tariffed rates with the FCC's jurisdiction. The complaint was filed based upon interconnection requirements of Iowa Code § 477.11 (2001). On February 16 the Board denied AT&T's motion to stay the proceedings. The Board order stated that the interpretation of Iowa law and Iowa tariffed services and rates for intrastate traffic is within the sole jurisdiction of the IUB. On March 7 the Board scheduled additional hearing dates on March 21-23. On April 23 following conclusion of the evidentiary hearing, two intervenors in the docket, Laurens Municipal Broadband Communications Utility and Coon Rapids Municipal Communications Utility, jointly filed a motion to reopen the hearing and record, which the Board denied by issue ordered September 6. On October 25 the Board issued its final decision and order, finding that by refusing to accept

interexchange customers in Iowa, because of the access charges set by the customers' chosen local exchange carrier and refusing to pay the local exchange carrier for access services provided, AT&T was in violation of Iowa Code §§ 476.10(9) and 477.11. The Board gave AT&T written notice that any future violations may be subject to civil penalties. In its decision, the Board also found that access charges of the complainants and intervenor CLECs were not just, reasonable, and nondiscriminatory, pursuant to Iowa Code § 476.3 and ordered the CLECs to file new access tariffs with charges that reflect the removal of the Carrier Common Line charge, but are otherwise the same as their existing access tariffs. Finally, the Board ruled that AT&T used the CLECs' access services and must pay for the services used prior to the date of the final decision order at each CLEC's tariffed rates in effect at the time services were used. On November 14 applications for rehearing were filed by AT&T and complainants FiberComm, L.C., Forest City Telecom, Inc., Heart of Iowa Communications, Inc., Independent Networks, L.C., and Lost Nation-Elwood Telephone Company. Also on November 14 AT&T filed a motion for a stay of the Board's final decision and order pending the Board's action on applications for rehearing or judicial review proceedings in district court. Goldfield Access Network, L.C., Laurens Municipal Broadband Communications Utility, and Coon Rapids Municipal Communications Utility filed responses, joining in the complainants' application for rehearing. On December 14 the Board granted both AT&T's and complainants' applications for rehearing, solely for the purposes of further consideration. The Board also granted AT&T's request for a stay while the Board considers the applications for rehearing, but denied AT&T's request for a stay while

judicial review proceedings are pending. The Board stated that no additional evidence would be received and no additional briefs or arguments would be required.

**FCU-00-4 (TCU-01-13) LTDS Corporation v. Iowa Telecommunications Services, Inc.**

On August 28, 2000, LTDS filed a complaint alleging Iowa Telecom refused to provide interconnection trunks required by LTDS to operate as a competitive local exchange carrier. Iowa Telecom was required to answer the complaint by September 6. Iowa Telecom filed its answer on September 7, saying that it did not refuse to interconnect with LTDS, but disputed LTDS's interpretation of how (or whether) Internet traffic should be exchanged pursuant to the interconnection agreement. A hearing was held on November 8 and 9. On December 22 the Board issued an order requiring interconnection pursuant to the agreement that is based upon the premise that there will be a mutual exchange of traffic. It directed that all local interconnection trunks requested by a CLEC be provided by Iowa Telecom, at no cost to the CLEC. Further, the Board determined that ISP-bound traffic is local exchange traffic as defined in the interconnection agreement that, in turn, requires that Iowa Telecom provide the local interconnection trunks for which LTDS places an order. Continuation of these benefits would depend on whether LTDS competes effectively for other customers. On June 5, 2001, the Board issued a written order directing LTDS Corporation to show cause why its CLEC certification should not be revoked. The order established Docket No. TCU-01-13 and set a procedural schedule with an August 14 hearing date. The Board stated that since the issuance of its December 22, 2000, order the Board had become concerned that actions on the part of LTDS

did not appear to be the actions of a bona fide CLEC. LTDS was ordered to file by June 22 prepared direct testimony with supporting exhibits and workpapers responding to preliminary concerns raised in the order, as well as any evidence showing LTDS operates as a bona fide CLEC. On June 19 the Board extended the procedural schedule and rescheduled the hearing to August 28. On July 17 Iowa Telecom filed a petition to intervene in TCU-01-13 and the Board granted Iowa Telecom's intervention request by order issued August 14. LTDS filed a motion to dismiss the certificate revocation proceeding on June 19 and renewed its motion to dismiss on August 22. On August 28 the Board denied LTDS' motion to dismiss and took official notice of the record in FCU-00-4 in the revocation proceeding. The Board's final decision in Docket No. TCU-01-13 is pending.

**FCU-01-1 (TF-01-111) Iowa Network Services. v. Qwest Corporation**

On April 9, 2001, Qwest filed a proposed tariff, identified as TF-01-111, proposing five new pricing elements in the Common Channel Signaling Access Capability (CCSAC) section of Qwest's switched access tariff. On April 25 Iowa Network Services, Inc. (INS) filed an objection to Qwest's tariff, alleging the tariff proposed new rates for the CCSAC section of the tariff in violation of Iowa Code § 476.97(11) "e" (5) (2001). On May 7 Qwest filed an answer to the INS objection. On May 14 the Board issued an order docketing the proposed tariff as a formal complaint proceeding, identified as Docket No. FCU-01-1, and set a procedural schedule. On May 14 INS filed a withdrawal of its objection, stating that Qwest and INS met to discuss the anticipated effect of the tariff change on INS and concluded that the proposed changes would actually represent an annual cost savings to INS. On May 22

the Board issued an order terminating the docket.

**FCU-01-2 Dustin Hobbs v. IES Utilities Inc., n/k/a Interstate Power and Light Company**

On September 4, 2001, Dustin Hobbs filed an informal complaint against IES Utilities for transferring an unpaid balance for gas and electric service from the account of Michael and Heidi Spiker in Burlington to his account in Danville. The Board gave IES written notice of the informal complaint. IES filed a response stating that both Hobbs and Heidi Spiker had lived at the Burlington address and were liable for the past due amount. IES stated that since service in Burlington was both gas and electric and service in Danville was only gas, it would apply only the gas portion of the past due bill to the Danville account. After being notified of the IES response, Hobbs on November 14 filed a request for formal complaint proceedings. He asked that the Board assess civil penalties against IES for the practice of adding former customers' past due bills to current customer or prospective customer accounts, which he claimed is a widespread practice. On December 18 the Board docketed the complaint for formal complaint proceedings in Docket No. FCU-01-2 and established a procedural schedule. The case is pending and an evidentiary hearing is scheduled to commence on February 26, 2002.

**FCU-01-3 Principal Life Insurance Company, f/k/a Principal Mutual Life Insurance Company v. MidAmerican Energy Company**

On December 21, 2001, Principal filed a written complaint against MidAmerican Energy Company regarding Principal's electric service rates. Principal alleged that MidAmerican breached its contractual obligation to provide electric service for

Principal's corporate complex of buildings in Des Moines at the lower of the contract rate or tariff rate. Principal requested the Board docket its complaint as a formal complaint proceeding. The parties have been in dispute over issues involved for several months with no resolution. Principal's request to the Board is pending.

## **Generating Certificates**

*Iowa Code chapter 476A requires that an entity planning to construct a generating facility in excess of 100 megawatts (MW) must receive a certificate of public convenience, use, and necessity to begin construction. This proceeding is called a GCU.*

### **GCU-01-1 (WRU-01-50-156)**

#### **MidAmerican Energy Company**

On August 23, 2001, MidAmerican held the informational meeting required by the Iowa Code. On October 15 MidAmerican filed an application to construct and operate a 540 MW combined cycle, natural gas fueled, combustion turbine. The Greater Des Moines Energy Center is proposed to be located at 3200 S.E. 45<sup>th</sup> Street in Pleasant Hill. On November 13 MidAmerican filed additional information, including a system impact study submitted to the Mid-Continent Area Power Pool as part of its request to connect the proposed facility to the transmission grid. On November 29 the Board accepted the application filing and established the procedural schedule for the proceeding. The Board also waived MidAmerican's request to waive rules found in 199 IAC chapter 24 that are superseded

by proposed rules in Docket No. RMU-01-7 and waived the requirement that the evidentiary hearing be held at least 90 days after approval of the application for certificate. The Board scheduled the hearing to commence on February 20, 2002.

### **GCU-01-2 Entergy Power Generation Corporation, Hawkeye Generating, L.L.C.**

On September 26, 2001, Hawkeye Generating held the informational meeting required by the Iowa Code. On December 27 Hawkeye filed an application to construct and operate a 615 MW combined-cycle, natural gas-fired, combustion turbine plant. The proposed facility is to be called the Hawkeye Generating Facility and is to be located approximately 2.5 miles south of Orient in Union County. Board acceptance of the filing is pending.

## Investigations

*Utility investigations (INUs) are general proceedings to explore issues that may affect a number of utilities.*

### **INU-00-2 U S West Communications, Inc., n/k/a Qwest Corporation**

On February 10, 2000, the Board initiated an investigation relating to the possible future entry of Qwest into the interLATA long-distance market. In a May 4, 2000, filing, Qwest encouraged the Board to consider a multi-state process for purposes of its review of competition issues, the 14-point checklist, § 272 (separate subsidiary) issues, and public interest considerations. The Board requested comments on a draft procedural order issued on June 27. On August 10 the Board adopted the multi-state process and established a procedural schedule.

Throughout 2001 the Board participated in three collaboratives, along with other states in Qwest's 14-state region, to more efficiently review Qwest's § 271 compliance. Section 271 of the 1996 Telecommunications Act sets the conditions Bell Operating Companies, such as Qwest, must meet prior to being allowed to enter the market as in-region providers of interLATA services. In general, compliance with § 271 would mean that Qwest has opened its local exchange network to competition.

Ultimately, the FCC will determine whether Qwest has complied with § 271. However, that determination will be made after consulting with state commissions and the Department of Justice.

The IUB was part of an OSS collaborative involving 13 of the 14 states served by Qwest. Testing began in 2000 and continued throughout 2001. Completion is expected in early 2002. The Executive

Committee and Steering Committee include commissioners and staff from the states. A Technical Advisory Group consists of industry participants in addition to state commission staff members. The National Regulatory Research Institute, NARUC's research affiliate, serves as the Administrative Coordinator. Maxim Telecom Group (MTG) is Project Administrator.

Operational Support Systems (OSS) are the methods, procedures, and systems (often computers) that support the daily operations of Qwest's telephone infrastructure. Nondiscriminatory access to OSS is a prerequisite to the development of meaningful local competition because access to Qwest's OSS provides a competitor with the ability to order new services for its customers and to communicate with Qwest on basic activities such as providing repair and maintenance service for customers. Qwest must show there is this nondiscriminatory access to OSS prior to any regulatory approval to offer long distance services.

The IUB was also part of a seven-state collaborative to address Qwest's compliance with the § 271 competitive checklist, § 272 nondiscrimination safeguards, Track A, and Public Interest. Liberty Consulting was hired to coordinate this multi-state proceeding and workshops. In 2001 the Board issued four "Conditional Statements" approving most of the § 271 competitive checklist items.

Iowa was initially among 11 states that participated in a process known as the Post-Entry Performance Plan (PEPP) collaborative. In 2001 many separate multi-day workshops were convened, numerous conference calls were placed, and a large quantity of information, proposals, and supporting data were exchanged and reviewed in an attempt to create a "consensus plan." Following the conclusion of the PEPP process, the Board joined a nine-state collaborative to develop Qwest's performance assurance plan (QPAP). Testimony was filed and workshops were conducted in the summer and fall of 2001. In October 2001 Liberty submitted its QPAP report to the states for consideration. The report outlined 68 issues that remained at impasse following the collaborative workshops. After a full review, the Board will issue a statement concerning each of the impasse issues related to Qwest's PAP in early 2002.

**INU-00-3 (WRU-99-272, WRU-00-88-272)  
U S West Communications, Inc., n/k/a  
Qwest Corporation**

On February 11, 2000, U S West filed a petition asking the Board to determine that the provision of local directory assistance services in Iowa are subject to effective competition and should be deregulated. At the same time Qwest filed a waiver of the requirement to file an accounting plan. In anticipation of Qwest filing to deregulate intraLATA directory assistance, the Board had previously waived the accounting plan requirements in Docket No. WRU-99-8-272. On February 23, 2001, the Board found local directory assistance to be subject to effective competition and granted the request for its deregulation. Local directory assistance service would be deregulated for all rate-regulated and non-rate regulated utilities, effective upon removal of the service from each utility's tariffs. Before a

utility could begin billing for local directory assistance calls that would previously have been provided at no cost, it was required to remove the service from its tariff and provide notification to customers, at least one billing statement prior to billing for local directory assistance calls. The Board required that handicapped customers not be billed for local directory assistance calls and approved continuation of the waiver of accounting plan requirements of 199 IAC 5.7(b) and (c). On March 15 Consumer Advocate filed an application for rehearing and stay and application for stay pending judicial review. On April 13 the Board issued an order denying the application for rehearing and stay and denying the application for stay pending judicial review.

**INU-00-5 IES Utilities Inc., Interstate  
Power Company, and MidAmerican  
Energy Company**

On May 19, 2000, the Board initiated an investigation to obtain data on transmission and distribution system reliability from the investor-owned utilities. On September 8 the investigation was expanded to include generation resource planning. On March 1, 2001, the three investor-owned companies filed required information regarding their plans to meet projected electric load growth. The generation resource plans included resource plans for the years 2001 through 2010, projected load and capability data, and available capacity reserves. On April 26 the Board issued a written order requiring updated resource plans, including additional long-term planning information, from all three investor-owned companies. IES Utilities Inc. and Interstate filed updated resource plans, as required, by November 1. MidAmerican was required to update its original plan by March 1, 2002. The Board's work in the docket continues.

**INU-01-1 Iowa Telecommunications Services, Inc., d/b/a Iowa Telecom**

On August 9, 2001, Iowa Telecom filed a petition for deregulation of its retail local exchange services in nine exchanges where Iowa Telecom alleged there was effective competition. On September 18 the Board issued an order initiating a formal notice of inquiry proceeding and establishing a procedural schedule. An oral hearing was held on December 11 and 12. The docket is pending.

## Negotiated Interconnection Agreements

*Section 252(b) of the Telecommunications Act of 1996 gives the Board the authority to approve the rates, terms, and conditions of negotiated interconnection agreements (NIAs) between competitors and incumbent local exchange providers. The agreement is docketed and written comments from interested parties must be filed within 30 days. The statutory standard to be applied in Board review is: (1) whether the agreement discriminates against a telecommunications carrier not a party to the agreement or (2) whether the implementation of the agreement or a portion is not consistent with the public interest, convenience, or necessity.*

<b>Docket</b>	<b>Incumbent/Competitor</b>	<b>Filed</b>	<b>Approved</b>
NIA-01-1	Qwest Corp/KMC Telecom V, Inc.	1/23/01	4/23/01
NIA-00-22	US West/@Link Networks, Inc.	1/23/01	4/23/01
NIA-97-17	Qwest Corp/Sprint Communications	1/23/01	4/23/01
NIA-97-22	Qwest/McLeodUSA	2/1/01	5/2/01
NIA-00-1	Qwest/NorthPoint Communications	2/1/01	5/2/01
NIA-99-9	Qwest/Compass Telecommunications	2/1/01	5/2/01
NIA-01-2	Qwest Corp/Preferred Carrier Services	2/2/01	5/3/01
NIA-98-38 (TCU-00-21)	Qwest Corp/Ionex Communications North	3/1/01	5/30/01
NIA-98-10	Qwest Corp/CommChoice of Iowa	3/1/01	5/30/01
NIA-99-11	Qwest Corp/Computer Business Sciences	3/1/01	5/30/01
NIA-01-3	Qwest Corp/1-800-RECONEX, Inc.	3/1/01	5/30/01
NIA-00-30	Qwest/TeleCorp Communications	3/14/01	6/12/01
NIA-01-4	Qwest/Cedar-Wapsie Communications	3/14/01	6/12/01
NIA-99-25	Qwest/New Edge Network	3/19/01	6/18/01
NIA-01-5	Qwest/MVX.COM dba QuantumShift Communications	3/19/01	6/18/01
NIA-01-6 (ARB-00-2)	Qwest/FiberComm L.C.	3/22/01	6/20/01
NIA-01-7	Qwest/Digital Telecommunications, Inc.	3/28/01	6/26/01
NIA-01-8	Qwest/Tel. Co. of Central Florida, Inc.	3/28/01	6/26/01
NIA-01-9	Qwest/Mid-Iowa Telephone Cooperative Association	3/28/01	6/26/01
NIA-01-5	Qwest /MVX.COM dba QuantumShift Communications	3/28/01	6/26/01
NIA-97-18	Qwest/New-Cell, Inc. dba Cellcom	3/29/01	6/27/01
NIA-00-30	Qwest/TeleCorp Communications	3/29/01	6/27/01
NIA-97-9	Qwest	3/29/01	6/27/01
NIA-97-17	Qwest/Sprint Communications	4/2/01	7/2/01
NIA-00-18	Qwest/NewPath Networks	4/2/01	7/2/01
NIA-01-10	Iowa Telecom/Iowa Wireless	4/9/01	7/9/01
NIA-01-11	Qwest/Ciera Network Systems	4/26/01	7/25/01
NIA-97-22	Qwest/McLeodUSA	4/26/01	7/25/01
NIA-00-12	Qwest/Network Access Solutions Corporation	4/26/01	7/25/01
NIA-99-15	Qwest/LTDS Corporation	4/26/01	7/25/01
NIA-01-12	Iowa Telecom/Harlan Municipal Utilities	5/1/01	7/30/01
NIA-97-22	Qwest/McLeodUSA	5/9/01	8/7/01
NIA-97-18	Qwest/New-Cell, Inc. dba Cellcom	5/9/01	8/7/01
NIA-00-64	Qwest/New-Cell, Inc. dba Cellcom	5/9/01	8/7/01

NIA-00-8	Qwest/Integra Telecom of IA, Inc.	5/16/01	8/14/01
NIA-01-13	Qwest/Alpine Network Services	5/16/01	8/14/01
NIA-01-14	Iowa Telecom/1-800-RECONEX	5/31/01	8/29/01
NIA-99-13	Iowa Telecom/LTDS Corporation	5/31/01	8/29/01
NIA-01-15	Qwest/360networks (USA) Inc.	6/1/01	8/30/01
NIA-97-22	Qwest/McLeodUSA	6/15/01	9/13/01
NIA-01-17	Qwest/AGI Iowa, Inc.	6/15/01	9/13/01
NIA-01-18	Qwest/Choicetel, LLC	6/15/01	9/13/01
NIA-01-19	Qwest/New Access Communications	6/18/01	9/17/01
NIA-01-20	Qwest/Z-Tel Communications	6/18/01	9/17/01
NIA-01-21	Iowa Telecom/Huxley Cooperative Telephone Company	6/20/01	9/18/01
NIA-01-22	Iowa Telecom/Guthrie Telecommunications Network	6/20/01	9/18/01
NIA-01-23	Qwest/Preferred Carrier Services	6/27/01	9/25/01
NIA-01-24	Qwest/1-800-RECONEX	6/27/01	9/25/01
NIA-01-25	Qwest/OpenCom, Inc.	6/27/01	9/25/01
NIA-00-50	Qwest/Weblink Wireless, Inc.	6/28/01	9/26/01
NIA-00-3	Qwest/Nextel Partners	6/28/01	9/26/01
NIA-01-26	Qwest/NOS Communications	7/5/01	10/3/01
NIA-01-27	Qwest/Williams & Co.	7/6/01	10/4/01
NIA-01-28	Iowa Telecom/Cellcom	7/6/01	10/4/01
NIA-01-26	Qwest/NOS Communications	7/12/01	10/10/01
NIA-01-29	Iowa Telecom/The Community Agency	7/16/01	10/15/01
NIA-01-30	Qwest Corporation	07/17/01	1/4/00
NIA-01-31	Frontier Communications/Telecorp Communications	7/26/01	10/24/01
NIA-98-9	Qwest/BTC, Inc.	7/30/01	10/29/01
NIA-98-23	Qwest/TCG-Iowa(Omaha)	7/30/01	10/29/01
NIA-00-8	Qwest/Integra Telecom of IA, Inc.	8/30/01	11/28/01
NIA-99-15	Qwest/LTDS Corp.	9/12/01	12/11/01
NIA-99-35	Qwest/MCImetro Access Trans. Serv.-3rd amendment	9/12/01	12/11/01
NIA-99-35	Qwest/MCImetro Access Trans. Serv.-4th amendment	9/12/01	12/11/01
NIA-01-17	Qwest/AGI Iowa, Inc.	9/12/01	12/11/01
NIA-01-32	Qwest/CI2 Inc.	9/12/01	12/11/01
NIA-01-33	Qwest	9/27/01	12/26/01
NIA-97-9	Qwest	9/27/01	12/26/01
NIA-01-34	IA Telecom/Reinbeck Municipal Telecommunications Utility	10/15/01	Pending
NIA-01-35	Qwest/Louisa Communications	10/24/01	Pending
NIA-01-36	Clear lake telco/Nextel	11/6/01	Pending
NIA-01-37	Qwest/Sprint Communications	11/6/01	Pending
NIA-01-23	Qwest/Preferred Carrier Services-Amendment 1	11/8/01	Pending
NIA-01-38	Qwest/Iowa Telecom	11/14/01	Pending
NIA-01-39	Frontier Communications/Houlton Ent. d/b/a Guaranteed Phone Service	11/15/01	Pending
NIA-01-40	CenturyTel/New-Cell, Inc.	11/19/01	Pending
NIA-01-41	Qwest/ChoiceTel LLC	11/30/01	Pending
NIA-01-42	Qwest/VoiceStream Wireless	12/12/01	Pending
NIA-01-38	Qwest/Iowa Telecom-1st amendment	12/26/01	Pending
NIA-01-43	Citizens Communications/Nextel Partners	12/31/01	Pending

## **Notices of Inquiry**

*Notices of inquiry (NOIs) are informal proceedings to educate the participants on a particular issue or set of issues. The Board commences an inquiry and develops a set of issues or questions for consideration. The issues outlined in the notice are not intended to be exclusive but form the framework for the inquiry. The inquiry is not directed at an individual utility or group of utilities but at any group, business, industry, or person who may be interested in the issue. The process is not intended to produce any specific kind of action, but may result in a subsequent formal proceeding such as a rule making or contested case. No record is made and no testimony is compelled.*

### **NOI-95-1 Emerging Competition in the Electric Industry**

On September 24, 1995, the Board initiated an inquiry addressing issues regarding emerging competition in the electric industry. Significant changes occurred in the electric industry since the inquiry opened. The Board's inquiry was commenced to debate and attempt to answer public policy and other questions surrounding emerging electric competition. On April 17, 2001, the Board ordered the inquiry closed, because no legislation to restructure Iowa's retail electric markets is pending.

### **NOI-00-1 Telephone Directory Compliance with 199 IAC 22.4(1)"b"**

On June 26, 2000, the Board initiated an inquiry to consider compliance with the rule that a telecommunications utility, which provides local exchange service and publishes an annual directory, shall include information in the directory so that customers may contact the Utilities Division for service complaints. A survey showed that some directories did not contain this information. The order required companies to provide a copy of the page that contains the required information in the current directory. The Board, through its inquiry manager, contacted all local exchange companies to ensure compliance with 199

IAC 22.4(1)"b." On August 28, 2001, the Board closed the docket, finding the purpose of the docket had been substantially accomplished although 17 companies were not in compliance with the rule at that time. Those telephone companies all indicated they would bring their directories into compliance in the next publication. The Board will review the forthcoming directories of those local exchange carriers not in compliance as of August 28, 2001.

### **NOI-00-3 Efficient Use of Telephone Numbering Resources**

On October 11, 2000, the Board initiated an informal proceeding to gather information on the costs and benefits of measures to promote the more efficient use of telephone numbering resources. Board staff was directed to send written requests for information to affected providers. On December 5, 2000, the Board issued an order stating that certain disaggregated, carrier-specific, historical, and forecasted number utilization data obtained from the North American Numbering Plan Administrator (NANPA) would be held as confidential as required by the FCC. This could replace information received from carriers by written request. On March 21, 2001, the Board ordered all communications service providers offering service in Iowa to file with the IUB a copy of each application

for a new or growth NXX (prefix) code at the same time the application is submitted to NANPA. The order stated that it is in the public interest for the Board to review each application for compliance with all Iowa requirements before it is granted. On April 3 the Board initiated thousands-block number pooling trials in the 515 and 641 area codes with the goal of improving the efficiency of telephone number assignment. All local number portability capable local exchange carriers in Iowa were ordered to initiate the trials in both area codes by August 15. The order also designated Telcordia Technologies as Iowa's interim pooling administrator for the trials. On May 17 the April 3 order in the docket was modified to provide that thousands-block number pooling would be required only in 515 and 641 rate centers that are served by multiple LNP-capable local exchange service providers or are served by multiple switches of a single LNP-capable local carrier. It was determined that pooling would also be required in other exchanges where a competitor is providing local exchange service and has requested its own block of 10,000 numbers. On June 18, 2001, the FCC's Common Carrier Bureau announced that it had selected NeuStar to be the national thousands-block number pooling administrator. Because of the FCC's requirement that nationwide pooling should be administered by a single pooling administrator, the IUB on September 6 ordered Telcordia Technologies to transition its pooling administrator responsibilities for the 515 and 641 pools by October 1. The docket remains ongoing.

#### **NOI-01-1 Natural Gas Service – Current Billing Issues**

On March 22, 2001, the Board initiated an emergency inquiry concerning compliance of regulated utilities with the provisions of 199 IAC 19.4(10), which addresses Board

requirements pertaining to payment agreements, disconnection notices, communications to customers, and budget billing calculations. The inquiry was opened to examine challenges facing Iowa natural gas customers in the wake of extraordinarily large winter heating bills due to unusually high gas commodity prices and an unusually cold November and December. In an attempt to assess and enforce the Board's rules in an unprecedented environment, gas utilities in the state were asked to respond to two surveys, file monthly reports on delinquent accounts, and to participate in a workshop to discuss issues. That workshop was held on March 28. On March 30 the Board adopted an emergency rule to extend the April 1, 2001, disconnection moratorium, for LIHEAP customers certified as eligible for low-income energy assistance or weatherization assistance, until May 1, 2001. Because of the extraordinary circumstances and the possibility of unprecedented disconnections in the days following the end of the moratorium, the Board found the action necessary to benefit the public and prevent imminent peril to the public health, safety, and welfare. On April 12 the Board ordered natural gas utilities to comply with a reasonableness rule for payment agreements in 199 IAC 19.4(10). The rule requires utilities to consider current household income, ability to pay, payment history, bill amounts, and the length of time and reasons why a bill is outstanding when establishing payment agreements for customers. The rule also requires utilities to offer each customer unable to pay the current bill a payment agreement, which spreads past-due payments over a minimum of 12 months. All utilities were ordered to file a copy of written instructions that they will provide to their customer service representatives, explaining the requirements and explaining that customers are to be

informed of the provisions. The Board also required utilities to file documents showing the total number of customers who were in arrears and the number of first-time payment agreements entered into by the utility since January 1, 2001. On August 15 the Board addressed utility responses in the docket and closed it, stating that it appeared utilities were bringing their procedures into compliance with Board rules. Information obtained in the docket indicated that some changes to the Board's rules should be proposed. Those concerns would be addressed in separate rule making dockets.

### **NOI-01-2 Natural Gas and Electric Master Metering**

On September 5, 2000, the Board issued an "Order Terminating Rule Making Proceeding" in Docket No. RMU-00-4, terminating the proposed adoption of new paragraphs 199 IAC 19.3(1) "b" and "c" and 20.3(1) "b" and "c" with regard to master metering of multi-occupancy premises. The Board stated that issues raised by comments would need to be addressed extensively before proposing another rule making. On November 20, 2001, the Board initiated the inquiry to receive input from representatives of all persons who might be affected by changes to current master metering rules. The docket is pending.

## **Pipeline Dockets**

*A pipeline permit is the authorization granted by the Utilities Board for the construction, maintenance, and operation of an intrastate pipeline under Iowa Code chapter 479. The granting of a permit requires a finding by the Board that the project will promote the public convenience and necessity and follows an acceptable route.*

### **2001 Natural Gas Pipeline Dockets**

<b>Docket</b>	<b>Company</b>	<b>Filed</b>	<b>Granted</b>
P-842	CIPCO	11/01/00	04/26/01
Permit to construct a natural gas pipeline in Union County. (Central Iowa Power Cooperative Lateral)			
P-843	IES Utilities Inc.	03/29/01	06/29/01
Permit to construct a natural gas pipeline in Poweshiek County. (Monsanto Lateral)			
P-739	MidAmerican	06/28/01	09/12/01
Permit for existing natural gas pipeline in Scott County. (John Deere Feeder Line Lateral)			

## **Rate Proceedings**

*Rate setting is a key function of the Iowa Utilities Board. By law, the Board must assure that customers receive adequate service at a reasonable price. The Board must also allow sufficient income for the utilities to maintain reliable service and assure sufficient earnings for its stockholders. The jurisdiction of rate setting extends only to certain larger utilities within Iowa. Municipal utilities and rural electric cooperatives (except those which choose rate regulation) are subject to Board review of their service only.*

*Rate proceedings (RPU) are designed to uphold the previously mentioned obligations when the Board investigates a company's rate increase proposal. Such proceedings usually last about ten months. During this time, local consumer comment hearings permit customer feedback. Technical hearings, similar to courtroom hearings, also take place. Testimony is presented and expert witnesses are cross-examined by the company, Consumer Advocate, and intervenors. At the conclusion, the Board may approve the company's request in full, approve some of it, or disallow any increase at all.*

### **RPU-90-7 IES Utilities Inc.**

See Docket Nos. RFU-99-3/RFU-01-2.

### **RPU-90-10 Iowa-American Water Company**

On January 22, 2001, Iowa-American filed its semi-annual hidden leak detection report. This report was required by the Board's final order issued in Docket No. RPU-90-10. Since the company began filing the reports more than a decade earlier, there have been two rate case settlements approved by the Board. Leak detection was not an issue in either settlement. On March 20 the Board issued an order terminating the filing requirement.

### **RPU-91-5 MidAmerican Energy Company**

In a "Final Decision and Order" issued on May 12, 1992, MidAmerican was directed to keep a cumulative record of the recovery of funds related to former manufactured gas plant sites (FMGP). MidAmerican was also allowed to recover in rates a representative level of cleanup costs for the sites. On

May 16, 2000, MidAmerican filed a proposed plan for the disposition of insurance recoveries related to the FMGP sites. The plan proposed to use the insurance recovery funds to accelerate the remediation of the sites beyond the remediation scheduled under the current funding. On September 1, 2000, MidAmerican and Consumer Advocate filed a "Joint Motion for Approval of Settlement Agreement." It agreed to allow MidAmerican's plan with certain conditions. The settlement agreement was approved on October 16, 2000. The Board ordered MidAmerican to file semi-annual reports. On March 15, 2001, MidAmerican filed a report containing information it claimed to be confidential. On March 26 the Board granted MidAmerican's request for confidentiality. In October 2001 MidAmerican again requested and was granted confidential status for its next semi-annual report relating to the manufactured gas plant remediation.

**RPU-94-3 MidAmerican Energy Company**

On January 12, 1999, MidAmerican filed a request to continue the Incentive Gas Supply Procurement Plan (IGSPP) through April 30, 2000. On April 27, 1999, Consumer Advocate and MidAmerican filed a proposed settlement that allowed the plan to continue through October 2000. The Board approved the settlement on May 28, 1999. On August 27, 1999, MidAmerican filed the results of the first period of the two-year extension. Consumer Advocate filed an objection stating MidAmerican's calculations were done in violation of the settlement agreement. On January 20, 2000, MidAmerican and Consumer Advocate filed an amendment clarifying certain calculations. The Board approved the amendment on February 17, 2000. MidAmerican filed the results of the second period of the IGSPP extension on March 31, 2000. In an order dated May 1, 2000, the Board directed MidAmerican to file purchased gas adjustments for the period from May 2000 through October 2000 reflecting the reward calculation. On July 12, 2000, MidAmerican requested a further continuation of the IGSPP through October 31, 2002. The extension was granted on September 18, 2000. On August 31, 2000, MidAmerican filed its six-month report that showed that its costs were below the benchmark. The Board allowed an IGSPP award on October 13, 2000. On February 28, 2001, MidAmerican filed its six-month report that showed that its costs were below the benchmark. The Board allowed an IGSPP award on April 30. On August 31, 2001, MidAmerican filed its six-month report that showed that its costs were below the benchmark. The Board allowed an IGSPP award on October 25, 2001.

**RPU-95-12 (TF-00-280) Frontier Communications of Iowa, Inc.**

On November 6, 2000, Frontier filed a proposed tariff designed to reduce certain rates to comply with Frontier-Iowa's price regulation plan. On December 29, 2000, the Board issued orders that Frontier-Iowa should reduce rates under the price plan by 1.1 percent. On January 12, 2001, Consumer Advocate filed an application for rehearing on the issue of the correct Gross Domestic Product Price Index to use in calculating the inflation rate under the price plan. On February 12 the Board granted the application for rehearing. On February 23 Consumer Advocate and Frontier-Iowa filed a "Joint Motion For Approval of Unanimous Settlement Agreement." On March 6 the Board issued an order approving the settlement, which maintains the 1.1 percent decrease implemented December 31, 2000.

**RPU-96-7 (TF-96-237) GTE Midwest Incorporated**

On July 5, 1996, GTE filed a tariff proposing rates for unbundled network elements. The Board docketed the rate case on July 18, 1996. The Board on April 20, 1998, issued an indefinite continuance of the procedural schedule. The reason was a remand by the federal district court of the GTE-AT&T arbitration decision on judicial review in GTE Midwest Incorporated v. IUB. On September 25, 2000, parties to the district court judicial review asked for dismissal of the case without prejudice, which effectively ended the appeal. On April 26, 2001, the Board terminated the docket. All GTE exchanges in Iowa were purchased by Iowa Telecom, which agreed to assume the existing GTE-AT&T interconnection agreement.

**RPU-96-8 MidAmerican Energy Company**

See Docket No. APP-96-1.

**RPU-98-4 (TF-00-250, TF-01-286) Qwest Corporation**

On October 3, 2000, Qwest filed a proposed tariff designed to reduce certain rates to comply with Qwest's price regulation plan. On December 21, 2000, the Board ordered Qwest to file tariffs reducing the business line rates equal to a total reduction of 1.21 percent. On December 29, 2000, Qwest filed an application for rehearing and two sets of proposed tariffs in compliance with the Board's orders. Qwest stated that it filed two sets of proposed tariffs to comply with whichever decision the Board reached on the application for rehearing. Consumer Advocate filed an "Objection To Tariff" on January 8, 2001, and an application for rehearing on January 10. On January 17 the Board extended the effective date of the proposed tariffs filed by Qwest indefinitely. On January 2, the Board granted the applications for rehearing. The evidentiary hearing was held on March 6. On May 10, 2001, the Board approved Qwest's proposed compliance tariffs, identified as TF-00-250, filed on December 29, 2000, reflecting an annual revenue decrease of \$2,757,321. The Board also ordered Qwest to make the refund of amounts in excess of approved rates retroactive to November 7, 2000.

On September 17, 2001, Qwest filed a proposed tariff designed to reduce certain rates and comply with its price regulation plan. Qwest proposed reducing originating and terminating common carrier line access service to accomplish most of the decrease in year two basic communications services (BCS) revenues. On October 8, Consumer Advocate filed an objection to the proposed tariff. On October 18 the tariff was given Docket No. TF-01-286 and the Board

established a procedural schedule. On November 16 Consumer Advocate filed a motion to suspend the procedural schedule to allow parties the opportunity to formulate an alternative procedure. On November 26 the Board suspended the procedural schedule. On December 7 the parties filed a joint motion asking the Board to postpone a determination on the merits of Qwest's year two proposal and Consumer Advocate's objection until judicial review of Docket No. TF-00-250 was concluded. The parties also proposed that the Board allow Qwest to implement the required year two BCS price decrease filed September 17, subject to any BCS revisions resulting only from the final judicial appellate decision. On December 14 the Board granted the joint motion to implement year two reductions under the price regulation plan.

**RPU-99-1 (TF-00-314) Qwest Corporation, f/k/a U S West Communications, Inc.**

On November 30, 1999, the Board issued an order approving a settlement agreement in this docket, permitting Qwest to implement an Equal Access and Network Reconfiguration Recovery Charge to recover costs associated with implementation of equal access in the Qwest network in Iowa. The settlement provided for recovery of the estimated costs of the required network changes with annual true-ups. On December 19, 2000, Qwest filed a tariff proposing to true-up the charge with an increase. The tariff was identified as TF-00-314. On January 18, 2001, the Board issued an order approving the tariff.

**RPU-00-1 (TF-00-64) Qwest Corporation**

On March 15, 2000, Qwest filed a proposed tariff to deaverage its wholesale and retail rates in Iowa. The Board had also received an order from the U.S. District Court for the Southern District of Iowa remanding certain

issues relating to U S West's wholesale rates. These issues included geographic deaveraging, the use of TELRIC modeling to set unbundled network elements (UNE) rates, the availability of dark fiber as an UNE, and the issue of combinations of UNEs. On June 22 the Board notified the parties it would address all of the remanded UNEs in this docket. On April 4 Consumer Advocate objected to the tariff, asserting that some or all of the retail rate increases were prohibited because the statute does not allow increases in basic communications service rates to reflect unbundling while operating under a price plan. The tariff was docketed on April 14. On May 31 the Board overruled the objection.

Several parties filed objections to the expansion of the scope of this proceeding. On August 2 the Board sustained the objections and clarified the scope of the docket. A hearing was held on October 11.

On January 11, 2001, the Board issued its final decision and order, rejecting Qwest's proposed tariff because it was "unjust, unreasonable, and unlawful." Qwest was ordered to file within 45 days a revised proposed tariff setting deaveraged UNE loop prices and BCS business retail rates complying with certain Board criteria. The Board concluded that the record in the case did not permit the redesign of residential rates, retail rate increases should not exceed 20 percent, each basic business service/product using the loop should be deaveraged on a revenue neutral basis, setting geographically-deaveraged prices for the UNE loop is reasonable (except switching and transport UNEs), and that redesigned rates for BCS business services that include the loop should equal or exceed the deaveraged UNE loop price in the same zone.

On January 31 Qwest filed an application for rehearing of the Board's decision. Because of a 30-day deadline to act on the request for rehearing and the need for more time for consideration, the Board on March 2 issued an order granting Qwest's application for rehearing solely for further consideration. On March 9 the Board denied part of Qwest's application for rehearing and granted part of it. Qwest's request that it be permitted to deaverage retail residential rates was denied. The Board allowed requests for further consideration of Centrex Plus rate deaveraging, changes in the timing of wholesale and retail rate revisions, and adjustments to business measured service rates. The Board extended the timeframe for Qwest to refile a proposed tariff on deaveraged UNE loop prices from 45 days to six weeks and 150 days from the date of the new order to file a revised proposed tariff on BCS business retail rates. On August 6 Qwest filed its proposed retail compliance tariff and on August 21 filed some corrected tariff pages. On August 27 Consumer Advocate filed an objection to the proposed tariff. The Board ordered Qwest to file by January 4, 2002, revised proposed tariff sheets showing a specific effective date for rates.

**RPU-01-1 (TF-00-297) AT&T  
Communications of the Midwest, Inc.**

On November 29, 2000, AT&T filed a letter and revised tariff page to its Iowa Telephone Tariff No. 4. In its letter, AT&T proposed to expand its local service territory and amend its local certificate to the exchanges of several local telephone service companies in Iowa. On January 9, 2001, the Board issued an order docketing the matter. On March 9 the Board approved the proposed tariff revision identified as Docket No. TF-00-297. It amended Certificate No. 0176,

which was originally issued on October 10, 1997.

**RPU-01-2 (TF-01-68) United Cities Gas Company**

On March 5, 2001, United Cities and Consumer Advocate filed a "Joint Motion for Immediate Board Approval of Settlement Agreement," a "Unanimous Settlement Agreement," and proposed tariffs designed to implement an overall rate reduction for United Cities customers. The settlement reflected a negotiated agreement between the two parties to reduce natural gas revenues for United Cities by approximately 9.82 percent. The reduction was based upon an 11 percent cost of equity and an overall rate of return of 9.625 percent. The revenue reduction would be \$326,000. On March 21 the Board tentatively approved the settlements and proposed tariffs. That approval became final on March 26 after no objections to the Board's approval were filed.

**RPU-01-4 Iowa-American Water Company**

On April 17, 2001, Iowa-American filed a proposal for a permanent annual revenue increase of approximately \$2.9 million. The company also asked for a temporary increase while the case was pending. Iowa-American cited capital improvements to water treatment and distribution facilities as the primary reason for the proposed rate increase. Consumer comment hearings were held on June 4 in Davenport and June 5 in Clinton. On July 9 the Board approved a temporary rate increase of about 8.9 percent in the company's Quad Cities District and about 14 percent in its Clinton District.

On August 3 Iowa-American and Consumer Advocate filed a "Unanimous Settlement Agreement and Joint Motion for Approval Thereof." On August 20 the Board

approved the settlement agreement, which increased annual revenues from water service by about \$2,037,177 or only about \$130,000 more than what was granted in temporary rates. On September 14 the Board approved compliance tariffs without modification. On December 14 Iowa-American and Consumer Advocate filed an amendment to the rate settlement agreement. It sought to permanently increase rates by an additional 3.43 percent in the Quad Cities District and 8.05 percent in the Clinton District. This would enable the company to recover costs associated with upgraded security measures for the protection of its water supplies following the September 11, 2001, terrorist attacks in New York and Washington, D.C. The Board intends to issue a final decision on the request to amend the settlement agreement by March 2002.

**RPU-01-5 (RPU-01-3) MidAmerican Energy Company**

On March 14, 2001, Consumer Advocate filed a request for a \$77,002,803 reduction in MidAmerican Energy's electric rates, identified as Docket No. RPU-01-3. On June 11 MidAmerican filed a proposed electric rate increase of \$50,529,035, identified as Docket No. RPU-01-5.

On July 2 Consumer Advocate and MidAmerican filed a joint petition requesting suspension of the procedural schedule in Docket No. RPU-01-3 and also requested the Board docket RPU-01-5 as a formal proceeding without setting a procedural schedule. On July 9 the Board issued an order granting the joint petition. On July 13 a joint settlement agreement was filed that, if approved, would resolve all outstanding issues.

On December 21 the Board issued an "Order Approving Settlement With Modifications."

The settlement keeps MidAmerican's base electric rates the same through 2005. As approved, some rates collected would offset MidAmerican's costs for building a new generating plant. During the period covered by the settlement, MidAmerican will be allowed to earn up to a 12 percent return on equity. If MidAmerican were to earn an annual return on equity of more than 12 percent, but less than 14 percent, the company would retain one half of the higher earnings with the remaining half being used to reduce future customer rate levels by offsetting certain costs associated with future MidAmerican plant investments. In a previous alternative price plan, MidAmerican was required to directly refund a share of excess profits to customers. Under this settlement, five-sixths of company profits in excess of a 14 percent return on equity would be used to reduce future customer rate levels.

#### **RPU-01-6 Qwest Corporation**

On June 22, 2001, Qwest filed proposed prices for wholesale services and unbundled network elements (UNEs). Qwest stated the proposed rates are for UNEs that were not included in its prior wholesale cost proceeding, Docket No. RPU-96-9. On July 12 Consumer Advocate filed an objection to Qwest's filing. On July 20 the Board ordered an investigation to determine the reasonableness of the proposed filing and identified the formal contested case as Docket No. RPU-01-6. On September 19 the Board denied a request by McLeod and Consumer Advocate to expand the scope of the proceeding to look at all of Qwest's UNE prices. It cited the fact that it did not do so in Docket No. RPU-00-1, primarily because of uncertainty regarding the legal status of the FCC's TELRIC pricing rules. Those FCC rules were still the subject of judicial review.

On November 28 the Board assigned the case to its administrative law judge to be the presiding officer at the hearing scheduled for December 13 and to issue a proposed decision thereafter. On December 10 a telephone conference call was held at request of the parties. During the call, the parties jointly requested the case proceed without a hearing. On December 11 the Board issued an order granting the motion to proceed without a hearing. On December 20 the Board issued an order posing questions to parties in the case. The case is pending.

#### **RPU-01-7 Iowa Telecommunications Service, Inc.**

On June 1, 2001, Iowa Telecom filed proposed tariff revisions to its premium-calling plan. The proposed tariff, identified as TF-01-159, established a 10,000-minute usage limit per month with excess minutes billed at nine cents per minute. On June 29 the Board suspended the proposed tariff and docketed it for investigation. By order dated July 5, the Board established a procedural schedule. On October 1 Iowa Telecom and Consumer Advocate filed a joint motion to approve a settlement agreement that would resolve all outstanding issues. There were no other parties to the proceeding. On November 30 the Board approved the settlement agreement. Under the settlement, Iowa Telecom was to provide several notice provisions to all Premium Calling Plan customers of the establishment of a 12,500-minute usage limit with nine cents per minute being charged after that limit.

#### **RPU-01-8 (TF-01-177) Qwest Corporation**

On June 14, 2001, Qwest filed a proposed tariff introducing its self-described "three-digit dialing N11 Non Basic Service." This service provides the end-user with the ability to dial a three-digit code like 211, 311, 511, or 711 to connect to an information service

or a referral service that may have public interest, as determined by the FCC. On June 28 the Board opened an investigation and established a procedural schedule. The Board noted that at least one and perhaps more of the services appeared to be a “basic communication service” for which the proposed tariff may be unlawful. On July 9 Qwest filed a motion to allow withdrawal of the proposed tariff. Qwest said it needed more time to “consider and evaluate whether the proposed tariffs should be reconstructed as well as to consider what rate levels are appropriate.” On July 12 the Board granted Qwest’s motion to withdraw the proposed tariff and terminated the docket.

**RPU-01-9 (WRU-01-53-156)**

**MidAmerican Energy Company**

On November 13, 2001, MidAmerican filed an application for determination of advance ratemaking principles for the Greater Des Moines Energy Center (GDMEC), a 540 MW combined-cycle generating unit that it intends to build in Pleasant Hill. This was the first such proceeding, pursuant to Iowa Code § 476.5, which was enacted during the 2001 legislative session as part of House File 577. This section provides that when defined new electric generation is constructed by a rate-regulated public utility, the Board, upon request, shall specify in advance, by order issued after a contested case proceeding, the ratemaking principles that will apply when the costs of the new facility are included in electric rates. The general assembly’s intent in enacting the

legislation was to attract the development of electric power generating and transmission facilities in the state. In its application, MidAmerican also requested waiver of some of the Board’s proposed rules noticed in Docket No. RMU-01-11, which set forth filing requirements for a ratemaking principles proceeding. The case is pending.

**RPU-01-10 Qwest Corporation**

The Board approved a price regulation plan for U S West Communications, Inc., n/k/a Qwest Corporation, effective November 7, 1998. The plan was for three years, with an option for Qwest to renew for an additional three-year term or submit a new plan for approval. On August 8, 2001, Qwest filed written notice to renew the original price regulation plan for an additional three years. On November 6 Qwest instead filed a renewed price regulation plan negotiated with Consumer Advocate. On November 30 the Board docketed the modified price regulation plan, raised questions about the legality of a section of the plan dealing with rate reductions in local exchanges with competition, and established a briefing schedule. The time for requesting a hearing on any factual issues passed without any requests for hearing. On December 13 Frontier Communications of Iowa petitioned the Board to intervene. The Board granted Frontier’s petition to intervene on December 20. The docket is pending.

## **Refunds**

*The Board initiates a refund proceeding (RFU) when a refund involving a utility requires special analysis.*

### **RFU-98-11, RFU-98-22, RFU-99-2, (WRU-00-21-156, WRU-98-9-156)**

#### **MidAmerican Energy Company**

On March 2, 1998, MidAmerican filed a request for a waiver from the rule that requires a utility to refund customers an amount equal to any refund received from a supplier, with interest, within 30 days. MidAmerican had received a refund from Northern Natural Gas Company related to the payment of Kansas ad valorem taxes during the period 1983 to 1988. Because this refund was an issue in a FERC proceeding, MidAmerican proposed to deposit the refund in a special account accruing interest at the 90-day commercial paper rate. The Board granted the waiver on April 22. The waiver was also granted for three subsequent refunds.

On October 29, 1999, the U.S. Court of Appeals issued an order that affirmed the FERC order that required refunds of amounts paid for Kansas ad valorem tax. On February 28, 2000, the Board directed MidAmerican to file a plan to begin refunding the money. On March 17 MidAmerican filed an application for rehearing and stay of the February 28 order. On March 28 the Board denied the stay and indicated that it would address the request for rehearing in a later order. On April 3 MidAmerican filed a refund plan. The Board approved the plan on August 21.

On January 29, 2001, MidAmerican filed a refund plan for a refund of Kansas ad valorem taxes expected to be received by the company in February 2001. Previously

refunded amounts had been returned to MidAmerican sales and transportation customers in November 2000.

MidAmerican is not required to return this refund immediately since the estimated average customer amount is under \$5. However, the company wishes to return this refund in March to help alleviate high utility bills being experienced this winter. On March 2 the Board approved MidAmerican's additional Kansas ad valorem tax refund plan. On May 9 MidAmerican filed its final refund report for the additional refund. It showed that the total refunded to Iowa customers was \$1,290,378, broken down as \$948,666 to Iowa PGA customers through the March PGA, \$335,189 to transport customers through refund checks, and \$6,723 to I-JUMP customers in bill credits. On August 13 the Board accepted the refund report filed on May 9, subject to complaint or investigation.

### **RFU-98-16, RFU-98-19, RFU-99-5 (WRU-98-11-150, WRU-98-34-150)**

#### **Interstate Power Company**

On March 4, 1998, Interstate filed a request for a waiver of the rule that requires a utility to refund to customers an amount equal to any refund received from a supplier plus interest within 30 days. Interstate had received a refund related to the payment of Kansas ad valorem taxes during the period 1983 to 1988. The Board granted the waiver on April 22, 1998. The waiver was also granted for three subsequent refunds.

On October 29, 1999, the U.S. Court of Appeals issued an order that affirmed the FERC order that required refunds of amounts paid for the Kansas taxes. On March 3 the Board directed Interstate to file a plan to begin refunding the money to customers. On March 16 Interstate filed an application for rehearing of the March 3 order and requested the waivers to continue, stating there was still uncertainty concerning the refunds. On April 14, 2000, the Board granted rehearing and continued the waivers. On June 15 Interstate filed its refund plan, which was approved by the Board on September 18.

On March 13, 2001, Interstate filed a refund plan related to the refund of Kansas ad valorem taxes from a settlement approved by the Federal Energy Regulatory Commission. On March 16 Interstate filed a revision to the plan. Iowa's share of the refund was \$101,596.11 or approximately \$2.19 for the average residential customer. Pursuant to 199 IAC 19.10(7), Interstate proposed to retain the refund until its annual reconciliation. On April 10 Interstate filed another revision to the refund plan in which it proposed to return the refund to customers in May 2001. On April 23 the Board approved the additional Kansas ad valorem tax refund plan, stating that the refund provides some additional relief to customers after a winter heating season of high gas prices and colder than normal temperatures.

**RFU-99-3, RFU-01-2 (RPU-90-7)  
Interstate Power Company**

On April 30, 1991, the Board issued its final decision and order in the Iowa Electric Light and Power Company, n/k/a IES Utilities, rate case proceeding. In that decision, the Board allowed IES to recover an amount for the cost of environmental remediation of former manufactured gas plant sites. The Board stated that it was reasonable for

ratepayers to absorb a portion of the cleanup costs and that it was also reasonable that any third-party recovery for environmental cleanup from insurance companies should offset ratepayer expenses. On October 16, 1998, the Board directed IES to file a report of activity regarding clean-up of former manufactured gas plant sites, specifically insurance recoveries, amounts recovered through rates, amounts expended on clean-up efforts, and amounts projected to be spent on remediation in the future. On December 8, 1998, IES filed a report. The company stated that sums included in the report also relate to sites outside of Iowa. On December 29, 2000, the Board established a briefing schedule to address the issues of refunding environmental cleanup recoveries to customers or retaining some such funds for accelerated cleanup. On February 21, 2001, the Board ordered IES to credit 90 percent of the total insurance recoveries plus interest to customers as a bill credit or refund check. On March 15 IES filed a refund plan to comply with the Board's order, indicating the total amount of the recoveries to be refunded to Iowa customers was \$16,524,000 or approximately \$72.37 per residential customer. General service and large service customers would also receive refunds. On March 19 IES filed an amendment to the refund plan after receiving an additional refund associated with the settlement of the Kansas ad valorem tax litigation at the Federal Energy Regulatory Commission. That refund totaled \$415,185 of which EAS calculated customers would receive an additional \$301,615 as part of the former manufactured gas plant refunds. On March 30 the Board approved the IES refund plan for the former manufactured gas plant recoveries and the additional Kansas ad valorem tax refund.

**RFU-99-10 (WRU-99-46-225) Peoples Natural Gas Company, Division of UtiliCorp United, Inc.**

On October 25, 1999, Peoples filed a request for a waiver from the rule that requires a utility to refund customers an amount equal to any refund received from a supplier, with interest, within 30 days when the refund amount exceeds \$5 per average retail customer. Peoples had received a refund from Northern Natural Gas Company for Kansas ad valorem taxes paid from December 1, 1998, to June 30, 1999. The Iowa portion of the refund was approximately \$1,429,932 or about \$8 per average residential customer. Peoples requested the Board allow it until April 15, 2000, to refund amounts to customers, because of programming of a new billing system that is necessary to accomplish the refund. The Board granted the waiver on December 7, 1999.

On April 9, 2001, Peoples filed a proposed refund plan for reimbursements received from Northern Natural Gas Company for use of the Carlton receipt point in Farmington, Minnesota, and an additional Kansas ad valorem tax refund. The Carlton receipt point reimbursement totaled \$259,329 and the Iowa portion of the ad valorem tax refund was \$4,825. The refund for an average Iowa residential customer was about 70 cents. Since the estimated average amount per residential customer was less than \$5, Peoples proposed including the refund in the next annual PGA reconciliation in November 2001. On May 3 the Board approved Peoples' refund plan.

**RFU-01-1 MidAmerican Energy Company**

On January 22, 2001, MidAmerican filed a refund plan for a \$126,000 supplier refund received from Northern Border Pipeline Company for transportation service billed

subject to refund. The portion relating to Iowa was \$98,141. MidAmerican proposed a refund of \$99,425 including interest to go back to customers in the March 2001 PGA rates, even though it amounted to less than \$5 per average residential customer. On February 26 the Board approved the refund plan.

**RFU-01-3 Peoples Natural Gas Company, Division of UtiliCorp United, Inc.**

On June 15, 2001, Peoples filed a proposed refund plan for reimbursements received June 1 from Northern Natural Gas Company for use of the Carlton receipt point in Farmington, Minnesota. The Iowa portion of the reimbursement totaled \$114,223, which amounts to a refund of about 76 cents per average residential customer. Peoples proposed bill credits for the refunds. On August 15 Peoples asked to withdraw the plan filed on June 15, saying the refund would instead be included in the annual PGA reconciliation. On August 24 the Board accepted Peoples' request to withdraw the filing.

**RFU-01-4 (APP-96-1, RPU-96-8) MidAmerican Energy Company**  
See Docket No. APP-96-1.

**RFU-01-5 (PGA-01-69) United Cities Gas Company, a Division of Atmos Energy Corporation**

On November 1, 2001, United Cities filed a refund plan to refund an over-collection associated with firm gas customers. The refund plan was filed to comply with a Board order issued on October 31, 2001, in Docket No. WRU-01-48-222, that denied United Cities a waiver of the requirement to make the refund by bill credit or check. United Cities indicated the total refund would be \$177,821 including interest. The refund would be made to customers based

upon usage between September 2000 and August 2001 and would use a per therm factor of \$.02991. Refunds would be made to customers in the December 2001 billing cycle. On November 30 the Board approved the plan.

## **Rule Makings**

*The Iowa Utilities Board publishes administrative rules that specify the rules under which utilities must operate and the procedures by which citizens and utilities may amend those rules. To change the rules, certain procedures for public notice and comment are specified by law. These proposed changes are called rule makings (RMUs).*

### **RMU-99-10 Restoration of Agricultural Lands During and After Pipeline Construction**

On September 15, 1999, the Board initiated a rule making to implement the changes adopted during the 1999 legislative session that gave the Board authority to establish standards for the restoration of agricultural lands during and after pipeline construction. The legislation also affirmed the county boards of supervisors' authority to inspect projects and gave the county boards the authority to file a complaint with the Board in order to seek civil penalties for non-compliance with various requirements. Petitioners for pipeline construction were also required to file a written land restoration plan and to provide copies to all landowners. On November 24, 1999, the Board scheduled an additional opportunity for public comment. After considering all written and oral submissions and the 180-day rule making parameter, the Board terminated the rule making on May 15, 2000.

On May 19, 2000, the Board initiated a new rule making incorporating written and oral comments from the previous one. On August 3 additional comments were requested. On January 10, 2001, the Board adopted new rules for the restoration of agricultural lands during and after pipeline construction. The new rules replaced the previous rules, effective March 14, 2001. They included amendments to the former rules with more specific language for addressing certain problems. The new rules give county inspectors more control over

construction during wet soil conditions and do more to ensure that all topsoil is removed and replaced to its original depth. The rules also spell out remedies for damage to tile lines or drainage systems. Pipeline companies will be expected to be more proactive in terms of considering a landowner's future plans for drain tile installation. They must consult with the landowner about future tiling plans and work with a qualified technician to avoid disturbing any existing drain tile and/or leave proper clearance for future drain tile. New rules address concerns raised about compaction following the replacement of soil. The new rules apply to any excavation for construction or repair of any underground pipeline crossing agricultural land in Iowa and carrying a solid, liquid, or gaseous substance other than water. They specifically relate to three Iowa pipeline construction statutes, entitled *Interstate Natural Gas Pipelines, Pipelines and Underground Gas Storage*, and *Hazardous Liquid Pipelines and Storage Facilities*. This includes both interstate and intrastate natural gas and hazardous liquid pipelines. New rules apply to any pipeline construction by investor-owned utilities, rural electric cooperatives, and municipal utilities (only in instances when agricultural land is crossed). Land restoration plans will be required for pipeline projects that require a permit from the Federal Energy Regulatory Commission (FERC) or the Board.

#### **RMU-00-4 (NOI-01-2) Individual Meter Measurement**

On February 15, 2000, the Board initiated a rule making to provide clarification to its policy regarding individual meter measurement. The Board proposed changes to make it clear that multioccupancy premises must be individually metered except in certain specific instances. In these cases, the renters or owners of the individual units may not be directly billed for their individual electric or natural gas usage. On September 5 the rule making was terminated. The Board found that the issues raised by written comments should be addressed more extensively before another rule making is proposed. To allow for a more thorough review and to receive input from representatives of all persons affected by changes to the individual meter measurement requirements, the Board stated a notice of inquiry would be opened. On November 20, 2001, the Board initiated the inquiry to receive input from representatives of all persons who might be affected by changes to current master metering rules. The docket is pending.

#### **RMU-00-7 Natural Gas Marketer Certification**

In 1999 the Legislature authorized the Board to certify natural gas marketers and aggregators in Iowa. The legislation directed the Board to adopt rules establishing the criteria for certification. On June 21, 2000, the Board began a rule making setting standards for certification for both small and large volume marketers. On August 25, 2000, the Board issued an order requesting additional comments. On February 19, 2001, the Board adopted new rules for certification of competitive natural gas marketers (CNGP). The rules were adopted as new subrule 2.2(17) in Iowa Administrative Code section 199 and will implement Iowa Code § § 476.86 and

476.87. The new rules were effective on April 25, 2001. As a result, some small-volume natural gas customers in Iowa gained the option of purchasing natural gas from the Board-certified competitive natural gas providers (marketers) instead of their local gas utility. The rules allow the certified CNGPs to pool transportation service to Iowa's small-volume business and residential customers for the first time. A more competitive environment for transportation of natural gas to small-volume customers was something the Board had sought for several years. However, this measured approach to increasing the potential of the open market did not go as far as full-fledged efforts to deregulate natural gas service in some other states. Large industrial customers in Iowa had utilized the services of natural gas marketers for many years within the requirements of large-volume transportation tariffs. Large-volume natural gas marketers that conducted business in Iowa prior to implementation of the new rules were also required to become certified under the new rules. Some were expected to offer competitive service to small-volume customers as a result of the new rules. The new rules also provide protections for customers that select service through a Board-certified gas marketer. Customers are able to continue being served by their local natural gas utility if they choose.

#### **RMU-00-10 Foreign Acquisitions**

On November 8, 2000, the Board commenced a rule making dealing with public utility acquisitions outside the United States. UtiliCorp petitioned the Board to change the test for determining whether a foreign acquisition qualifies for an exemption from the reorganization statutes and rules. On January 11, 2001, the Board adopted new rules to amend 199 IAC 32.2(4), which deals with public utility

acquisitions outside the U.S. The new rules were implemented on March 14 and removed two tests for bypassing Board review of foreign acquisitions. Those tests were a public utility spending less than \$500 million on foreign acquisitions during the calendar year and having an aggregate value of foreign acquisitions that does not exceed 30 percent of the net book value of its assets. However, two new tests were added. First, the exemption will not apply if the public utility does not hold an investment grade credit rating from two major credit rating services. Second, the exemption will not apply if the acquisition exceeds 15 percent of the net book value of the public utility's assets. A third test for exemption from Board review remained the same – if the public utility does not receive more than 10 percent of its gross utility revenues from Iowa operations.

#### **RMU-00-11 Negotiated Interconnection Agreements**

On November 3, 2000, the Board initiated a rule making to amend its rules concerning the review of negotiated interconnection agreements to accomplish its obligations under federal statutes while reducing the time and paperwork required to review and approve such agreements. On March 15, 2001, the Board adopted new rules amending 199 IAC 38.7(4). The changes simplified the Board's review and approval procedures by eliminating the need for two orders (one to docket the agreement for comments and the other to approve it) unless internal review shows the agreement is not in the public interest or objections to it are filed. Also, a web page posting of agreements or amendments will serve as public notice for filing comments. Agreements/amendments will be deemed approved on the 41<sup>st</sup> day after filing absent any objections or issues in the internal review. The web page listed the docketing

date and approval date for agreements. The new rules were effective on May 9, 2001.

#### **RMU-01-1 Estimation and Proration of Natural Gas Bills**

On February 21, 2001, the Board initiated a rule making to amend its rules in 199 IAC 19.3(8) and 19.10(3) following many complaints about the calculation of customers' natural gas bills during the volatile 2000-2001 winter heating season. On July 31 the Board adopted the rule making. Rules were amended to require that natural gas bills based upon estimated consumption, rather than actual meter readings, include actual degree day and customer premises consumption history data. The new rules also allow customers to provide meter readings to the utility by telephone, electronic mail, or U.S. mail and require regulated natural gas utilities to notify the Board of changes in estimation procedures. The new rules also require that periodic changes in a rate-regulated utility's purchased gas adjustment factors be prorated to become effective with usage on or after the date of change. The new rules went into effect on November 1.

#### **RMU-01-2 Disconnection and Reconnection**

On March 26, 2001, the Board initiated a rule making to propose amending 199 IAC 19.4(15)"h"(5) and 20.4(15)"h"(6), regarding disconnection and reconnection, to make them consistent with the Board's standard customer notice forms and the disconnection portion of the customer rights and remedies. The proposed rules are consistent with amendments adopted in December 2000 in Docket No. RMU-00-5, which also clarified language about the disconnection or reconnection of an electric or gas customer. Docket No. RMU-01-2 is pending.

**RMU-01-3 (NOI-01-1) Emergency Extension of Winter Moratorium for Natural Gas and Electric Service Customers**

On March 30, 2001, the Board issued an emergency rule, which protected those Iowa customers certified as eligible for low-income energy assistance from natural gas service disconnection until May 1. Iowa customers approved for low-income heating assistance cannot be disconnected during the state's annual winter moratorium. The rule making extended just the 2000-2001 moratorium by one full month. The moratorium typically runs from November 1 to April 1. The emergency rule making was part of an emergency investigation (Docket No. NOI-01-1) commenced on March 22. In that docket, the Board evaluated the impact of the winter's record-high heating bills on natural gas customers throughout Iowa.

**RMU-01-4 Service of Filings on Consumer Advocate**

On May 1, 2001, the Board initiated a rule making proposing amendments to 199 IAC 1.8(4)"c" regarding service of documents on the Consumer Advocate. As representative for consumers generally in all proceedings that come before the Board, Consumer Advocate is entitled to service of all documents required by statute or rule to be served on parties in Board proceedings and all notices, petitions, applications, complaints, answers, motions, and other pleadings filed with the Board pursuant to statute or rule. On November 21, 2001, the Board approved the rule making. The adopted amendment expands the scope of the rule to all documents or other materials filed with the Board. It also eliminated the requirement that a separate copy of each filing be served on the Board's general counsel.

**RMU-01-5 Correction to 199 IAC 9.3(1), Land Restoration Rules**

On May 22, 2001, the Board initiated a rule making to correct a typographical error in the adoption of 199 IAC chapter 9 (land restoration rules), which went into effect on March 14. In the adopted subrule 9.3(1), the word "intrastate" was incorrectly typed as "interstate," which changed its application. On July 16 the Board adopted the amendment.

**RMU-01-6 Amendment to 199 IAC 9.1(3) "f," Land Restoration Rules**

On July 5, 2001, the Board proposed an amendment to 199 IAC 9.2(3)"f" to correct the definition of "pipeline construction." On August 28 the Board adopted the amendment.

**RMU-01-7 Generation Plant Siting**

On August 3, 2001, the Board initiated a rule making to amend generation plant siting rules in 199 IAC chapter 24 to reflect changes enacted by the Iowa Legislature in House File 577 (generation bill), which made significant changes to the plant siting statute (Iowa Code § 476A). The enacted legislation removed the following decision criteria for plant siting: existence of a comprehensive energy plan, consideration of purchased power, and consideration of all feasible alternatives to the proposed facility, including nongeneration alternatives. Instead, utilities must now show a willingness to construct, maintain, and operate the facility pursuant to certificate provisions, consistency with reasonable land use and environmental policies and reasonable use of air, land, and water resources, and no harm to electric service adequacy and reliability. The previous siting law was passed in the early 1980s when the Legislature was trying to discourage too much new generation and encourage energy efficiency. Under it,

utilities had to prove need for new generation and exhaust all other options before building it. The docket is pending.

#### **RMU-01-8 Competitive Bidding**

On May 22, 2001, the Board initiated a rule making to add a new 199 IAC chapter 40 to reflect changes to Iowa Code § 476 enacted in House File 577, section 12 of the adopted generation bill in particular. Section 12 allows rate-regulated public utilities that file an application to construct or lease generating plants that meet certain criteria to request that the Board specify in advance the ratemaking principles that will apply when costs of the facility are included in regulated electric rates. It requires the Board to find that the rate regulated utility has demonstrated it has considered other sources for long-term electric supply and that the facility or lease is reasonable when compared to other feasible electric supply alternatives. One way the rate regulated public utility may satisfy requirements is through a competitive bidding process, under rules to be adopted by the Board, that demonstrates the facility or lease is a reasonable alternative. The docket is pending.

#### **RMU-01-9 Application of Overpayments to Level Payment Accounts**

On September 6, 2001, the Board initiated a rule making to amend 199 IAC 19.4(11)"g" and 20.4(12)"g" to prescribe the application of overpayments on electric and gas bills by customers on level payment plans. The Board proposed amendments to require that payments above the level payment agreement amount must be applied to the unpaid balance rather than to current or future monthly payments. The Board had several complaints about how overpayments of level payment customers were being applied in Docket No. NOI-01-1, its investigation into billing practices. On

December 13 the Board terminated the rule making proceeding. It found that the concerns raised by the comments indicate that the proposed amendments might create additional unforeseen problems that would outweigh the benefits. Comments focused on the necessity of the amendments, costs outweighing benefits, and amendments possibly conflicting with federal law.

#### **RMU-01-10 Rights And Remedies For Gas And Electric Customers**

On September 6, 2001, the Board initiated a rule making proposing to amend several sections of 199 IAC chapters 19 and 20 to implement changes to the "Rights and Remedies" for gas and electric customers. The amendments were a result of information the Board obtained in Docket No. NOI-01-1 concerning the consequences of the extreme cold and high gas prices of the 2000-2001 winter heating season. The Board discovered that many utilities were not applying its rules on payment agreements properly. Some utilities were using the 12-month minimum agreement as a maximum length for payment agreements. On November 19 the Board scheduled a public hearing in the rule making proceeding for January 23, 2002. The docket is pending.

#### **RMU-01-11 Ratemaking Principles Proceeding**

On September 14, 2001, the Board initiated a rule making to add new chapter 199 IAC chapter 41 to reflect changes to Iowa Code chapter 476 enacted in House File 577, particularly section 12 of HF 577. Section 12 allows rate-regulated public utilities that file an application to construct or lease generating plants that meet certain criteria to request that the Board specify in advance the ratemaking principles that will apply when costs of the facility are included in regulated electric rates. It specifically provides that

the applicable ratemaking principles shall be determined in a contested case proceeding. The new chapter outlines filing requirements for a rate-regulated public utility to follow when it initiates a ratemaking principles proceeding. The docket is pending.

**RMU-01-12 Confidentiality for Certain Information**

On December 11, 2001, the Board initiated a rule making to consider an amendment to 199 IAC 1.9(5) concerning the granting of confidential treatment for certain specific types of information filed with the Board. The amendment would enable the Board to specify by rule certain information to be treated as confidential without a Board order. The docket is pending.

**RMU-01-13 Assessment Allocation Rules**

On December 14, 2001, the Board initiated a rule making to amend 199 IAC chapter 17, the Board's assessment allocation rules. The chapter rules pertain to the method the Board uses to assess expenses incurred by the Board and Consumer Advocate on utilities and other parties as authorized by the Iowa Code. The proposed amendments would implement changes to the Board's assessment allocation authority in Iowa Code § 476.10, which was amended by the

Legislature in 2001. The rule making proceeding is pending.

**RMU-01-14 Certification of Rural and Non-rural Telecommunication Carriers**

On December 12, 2001, the Board initiated a rule making, proposing to add a new section to 199 IAC chapter 22.2 to reflect the certification process for rural and non-rural carriers who wish to receive federal high-cost universal service support. The rule making proceeding is pending.

**RMU-01-15 Lifeline Assistance Rates**

On December 19, 2001, the Board adopted an emergency rule making to amend rules in 199 IAC 39.3(2)"b." The amendment eliminated the federal baseline Lifeline support amount specification because the previous support amount specification (\$3.50) did not reflect an increase in the monthly credit for Lifeline customers ordered by the Federal Communications Commission. That increase will go from \$3.50 to \$5 on January 1, 2002, with additional increases planned later in 2002. The amendment eliminated reference to a specific amount.

## **Service Proceedings**

*A change to the boundaries established for electric utilities is completed through a service proceeding (SPU), as are other matters of utility service that require Board approval.*

### **SPU-99-22 Area Code 515 Relief Plan**

On July 23, 1999, the North American Numbering Plan Administrator (NANPA) filed a recommendation, on behalf of the Iowa telephone industry, for area code number exhaustion relief for the 515 area code. The industry recommended the Board adopt a new overlay area code on the entire 515 area to provide additional central office codes. The Board docketed NANPA's petition on October 1. Seven public information and comment hearings were held. A hearing was held on December 14. On February 24, 2000, the Board issued an order approving a geographic split. In the order, the Board asked for comments on the implementation schedule. On March 30 the Board issued an order on requests for reconsideration. It changed the permissive dialing period to begin on July 9, 2000, and the mandatory dialing period to begin on December 3, 2000. It also approved a modification to move the Prairie City exchange from Area A to Area B. On July 31, 2001, the Board issued an order allocating expenses in the docket, reporting that total costs and expenses incurred by the Board and Consumer Advocate in the proceeding were \$81,250. That total was allocated among participants as follows: AT&T \$7,609; Iowa Telecom \$10,561; ITA (other than Iowa Telecom and Qwest) \$12,043; MCI \$4,849; U.S. Cellular \$13,539; Qwest \$32,535. The Board allowed participants to submit Iowa revenue information within 30 days if they sought further consideration of expense allocations, which would otherwise become final. On August 30, 2001, AT&T requested

reconsideration of the July 31 order on the grounds that the Board's cost allocation for the proceeding was inappropriate as it used a carrier's total state revenues in its calculations, which appears to penalize companies with long-distance revenues. On August 31, 2001, the Board received from U.S. Cellular a request for reconsideration of the July 31 order. U.S. Cellular asserted federal law preempts a section of the Iowa Code applied in this proceeding. On October 4, 2001, the Board issued a second order allocating Board expenses in the proceeding. The requests for reconsideration from AT&T and U.S. Cellular were denied.

### **SPU-99-27 U S West Communications, Inc. and Qwest Inc.**

On September 20, 1999, Qwest and U S West filed a joint application for merger. On October 7, Consumer Advocate filed a motion for an additional 90 days, which was granted on October 26. On January 28, 2000, the applicants and Consumer Advocate filed a proposed settlement agreement. The other parties to the docket continued to urge the Board to disapprove the merger. Hearings were held on February 1-3 and 14. On March 17 the Board did not disapprove the settlement and terminated the docket. The applicants were cautioned that the decision was based on the record and if there were any material changes to the proposed reorganization, they must be filed with the Board.

Pursuant to the settlement agreement, Qwest and Consumer Advocate were to develop

enhanced reporting formats to facilitate assessment of Qwest's continued compliance with the Board's service quality standards. The Board approved the enhanced service quality reporting format on July 14. On July 24 the Board approved a compliance tariff required by the settlement agreement and required further proposed tariffs.

On July 7 U S West filed a request that the Board cancel its certificate of public convenience and necessity and issue a new one to Qwest Corporation. The U S West certificate was cancelled by order of September 21. Also on September 21, the Board issued a new certificate to Qwest.

On June 28, 2001, the Board issued an order rejecting the proposed compliance tariff filed by Qwest on August 23, 2000, and identified as TF-00-140. The Board ordered Qwest to file new proposed tariff pages within 30 days. On July 2 Qwest filed a proposal to modify the service reporting requirements, proposing to limit reports to a statewide level of detail and discontinue information at the wire center level. Qwest also proposed to change certain service quality measurements to reflect proposals it is presenting in other states, in order to standardize reporting requirements across the states. Specifically, Qwest proposes to change the measurements for service interruptions, customer trouble reports, call answering intervals, and service connection reporting. On July 12 Consumer Advocate filed a response opposing the wholesale elimination of reporting requirements at the wire center level. A decision on the company's request to modify its monthly service quality reports is pending.

#### **SPU-99-30 Area Code 319 Relief Plan**

On October 29, 1999, the North American Numbering Plan Administrator (NANPA)

filed, on behalf of the Iowa telecommunications industry, a petition for approval of an overlay relief plan for area code number exhaustion relief for the 319 area code. Attached to the petition were ten relief alternatives. Without relief, the 319 area code was estimated to exhaust during the third quarter of 2002. The FCC delegated responsibility to the Board to determine the most appropriate form of relief when an Iowa area code was near exhaustion.

On March 31, 2000, the Board docketed NANPA's petition and established a procedural schedule. The Board held ten public information and comment hearings in the affected area code. A hearing was held on August 22. On November 16 the Board issued an order adopting a geographic split. It accelerated the permissive and mandatory implementation dates originally recommended by the industry, because the projected exhaust date for the 319 area code was accelerated while the docket was pending. The Board asked for public comment regarding the split and the revised implementation dates and allowed 20 days for filing applications for reconsideration. On December 28 the Board issued an order granting some of the applications and denying others.

On January 22, 2001, the Board denied a reconsideration request from Bridge Community Bank in Mechanicsville to return the Mechanicsville exchange to the 319 area code rather than move it to 563. The Board moved Mechanicsville to 563 in the December 28, 2000, order to keep a school district in a single area code. In 2001, the Board worked closely with a committee comprised of telephone companies that serve the 319 area code to educate the public and prepare for implementation of the new 563 area code.

On March 25, 2001, permissive dialing began for the new 563 area code. Customers were encouraged to dial 563 when making calls, and report any problems, but were still able to dial 319 and be connected. On December 2, 2001, mandatory dialing began. It was now mandatory to dial 563 to reach customers in the new area code. The Board handled customer complaints and worked with telephone companies and long-distance carriers to alleviate problems during the transition.

On July 31, 2001, the Board issued an order allocating expenses in the docket, reporting that total costs and expenses incurred by the Board and Consumer Advocate in the proceeding were \$55,450. That total was allocated among participants as follows: McLeod \$4,011; Iowa Telecom \$6,784; ITA (other than Iowa Telecom and Qwest) \$7,128; U.S. Cellular \$7,920; Qwest \$20,889; Verizon \$7,920; South Slope \$788. The Board allowed participants to submit Iowa revenue information within 30 days if they sought further consideration of expense allocations, which would otherwise become final. On August 31 the Board received a request for reconsideration of its July 31 order from Verizon, which asserted a section of the Iowa Code, as applied in this proceeding, is preempted by federal law. The Board denied Verizon's request for reconsideration.

**SPU-99-31 U S West Communications, Inc., and Citizens Telecommunications Company of Iowa**

On November 9, 1999, U S West and Citizens filed a joint application for approval of reorganization, discontinuance of service, transfer of certificates, and transfer of interexchange service from U S West to Citizens. The parties also requested waiver of the slamming rule, if necessary,

designation of Citizens as an eligible telecommunications carrier, and the assumption by Citizens of the U S West price plan at the rates in effect at the date of close. On February 23, 2000, the applicants and Consumer Advocate filed a proposed settlement agreement and a joint motion for approval of the agreement. The agreement resolved all issues except the issue concerning the acquisition premium to be paid by Citizens. A hearing was held on February 29 and March 29. On May 5 the Board approved the partial settlement agreement and did not disapprove the reorganization. On February 21, 2001, the Board issued an order granting a request from Citizens to substitute Citizens LLC for Citizens Telecommunications Company of Iowa for all purposes in connection with the docket.

**SPU-00-7, TF-00-275 (DRU-00-2)  
Exchange of Transit Traffic**

On May 19, 2000, Qwest Corporation filed a petition for declaratory order regarding the exchange of local traffic by wireless and other local calling entities transiting Qwest's facilities. Qwest alleged that the originating and terminating companies must reach their own agreements as to the terms and technical conditions for the exchange of local traffic, even though Qwest's facilities are used for transit traffic. Because of the broad implication of the request, the Board refused to issue a declaratory order. However, on June 23, 2000, the Board docketed the matter as Docket No. SPU-00-7 to allow an opportunity for discovery and to develop a full and complete record as it applies to the entire telecommunications industry. A technical workshop was held on August 7. A hearing was held February 13-15, 2001, and continued March 7-9 and April 17-20. On October 25 the Board by written order designated Board member Diane Munns as the presiding officer in the

docket. On November 26 a proposed decision and order was issued. It concluded that federal law defines wireless traffic originated within the MTA as local, so access charges do not apply. The wireless carriers are entitled to interconnect directly with the independent local exchange carriers on a bill-and-keep basis, pursuant to Board and FCC rules. Qwest is entitled to compensation for carrying this traffic, but has no obligation to pay access or other terminating fees because this is local traffic. If the wireless carriers want to use Iowa Network Systems (INS) facilities for an indirect connection, they may do so, but INS is entitled to compensation for providing those services. On December 11 INS, the Rural Independent Telephone Association, Qwest, Iowa Telecommunications Association, and Central Scott Telephone Company filed notices of appeal. On December 21 the Board issued an order establishing a procedural schedule for the appeal. Responses to the notices of appeal filed in the docket were to be filed by January 11, 2002.

**SPU-00-11 (INU-00-2) Qwest Corporation**  
See Docket No. INU-00-2.

**SPU-00-15 Global Crossing LTD and Citizens Communication Company**  
On August 16, 2000, the applicants filed a proposal for reorganization involving the sale of the capital stock of Frontier Subsidiary Telco from Global to Citizens. Frontier Subsidiary Telco is the parent of Frontier Communications of Iowa, a local exchange company, and Frontier Communications of America, an interexchange and competitive local exchange carrier. On September 22 Citizens, Global, and Consumer Advocate filed a settlement agreement. On

November 7 the Board extended the deadline for issuing a decision to January 16, 2001.

On January 16, 2001, the Board issued an order, which approved the settlement, did not disapprove the reorganization, established reporting requirements, and terminated the docket. Citizens was ordered to file with the Board quality of service reports and a report on capital expenditures and systems upgrades according to terms of the settlement.

**SPU-00-20 (TCU-98-23, TCU-99-22) JATO Operating Corporation, f/k/a JATO Communications Corporation**  
See Docket Nos. TCU-98-23, TCU-99-22.

**SPU-00-23 City of Guttenberg and Allamakee-Clayton Electric Cooperative, Inc.**

On December 14, 2000, Guttenberg and Allamakee filed a joint petition to transfer certain service territory in Clayton County from Allamakee to Guttenberg. On January 24, 2001, the Board issued an order granting the petition to modify service area boundaries. The Board noted that no objections to the petition were filed.

**SPU-00-24 Interstate Power Company and Hawkeye Tri-County Electric Cooperative**

On December 18, 2000, Interstate and Hawkeye filed a joint petition to transfer from Interstate to Hawkeye certain service territory in Winneshiek County. On March 7, 2001, the Board issued an order granting the petition to modify service area boundaries. No objections to the petition were filed with the Board.

**SPU-00-25 Manning Municipal Light Plant and MidAmerican Energy Company**

On December 19, 2000, Manning and MidAmerican filed a joint petition to transfer two parcels of land in Carroll County from MidAmerican to Manning. On May 4, 2001, the Board issued an order granting the petition to modify service area boundaries. No objections to the petition were filed with the Board.

**SPU-01-1 Teleglobe Business Solutions, Inc.**

See Docket No. TCU-00-14.

**SPU-01-2 (SPU-00-4, SPU-98-8) MidAmerican Energy Company**

On March 13, 2000, MidAmerican filed a petition asking that it be allowed to enter into a purchase power contract for 250 MW with Cordova Energy Company, an affiliate of MidAmerican. The contract would run from June 1, 2001, through May 14, 2004. As part of the merger proceeding involving CalEnergy Company, MidAmerican committed that it would not have any contracts with power plants built or acquired by affiliates without the consent of the Board. In addition, because Cordova is an exempt wholesale generator, PUHCA requires the Board to make certain determinations. On June 26, 2000, the Board granted the request in Docket No. SPU-00-4 (SPU-98-8). It explicitly reserved determination of any cost allowance or disallowance issues to a future rate or other appropriate proceeding. On February 23, 2001, the Board issued an order allowing amendment to the purchase power agreement (Docket No. SPU-01-2). The contract amendment permitted MidAmerican to purchase non-firm energy from Cordova during the plant's start-up and testing prior to the timeframe of the contract.

**SPU-01-3 Interstate Power Company and Heartland Power Cooperative**

On March 7, 2001, Interstate and Heartland filed a joint petition for modification of electric service area boundaries. No objections to the petition were filed. On April 17 the Board issued an order granting the petition. The modification allowed one customer to have a radial line removed from his farmland and be provided electric service from a different direction.

**SPU-01-4 City of Neola and Harrison County Rural Electric Cooperative**

On March 26, 2001, the City of Neola and Harrison filed a joint petition for modification of electric service area boundaries. No objections to the petition were filed. On April 26 the Board issued an order granting the petition. The modification immediately affected five customers located within the Neola city limits, but in Harrison's exclusive electric territory prior to the change. Harrison had no distribution lines in this area and Neola had existing lines in place.

**SPU-01-5 Harrison County Rural Electric Cooperative and MidAmerican Energy Company**

On May 3, 2001, Harrison and MidAmerican filed a joint application for modification of electric service territory boundaries, in part, to accommodate a customer who desired to be transferred from MidAmerican to Harrison. On December 14 the Board dismissed the joint application without prejudice after the customer informed Board staff of a desire not to transfer service, because of costs that customer would incur.

**SPU-01-6 (TCU-99-36) Eagle Communications of Iowa, Inc.**

On January 7, 2001, the Board issued an order approving the application of Eagle to

provide local exchange service in Iowa and granting Eagle a certificate of convenience and necessity. The order was issued in Docket No. TCU-99-36. On June 6 Eagle filed a request to surrender its certificate. It stated that it had not served any customers in Iowa since receiving its certificate and no longer intended to conduct telecommunications business in Iowa. On June 19 the Board issued an order canceling the certificate effective on July 6.

**SPU-01-7 MidAmerican Energy Company and Eastern Iowa Light and Power Cooperative**

On June 25, 2001, MidAmerican and Eastern Iowa filed a joint petition for modification of electric service area boundaries. No objections to the petition were filed. On August 28 the Board issued an order granting the petition. The modification removed an unstable distribution route through a lake, where ground was not dry enough to properly support poles.

**SPU-01-8 IES Utilities Inc. and Interstate Power Company**

On July 10, 2001, IES and Interstate filed a proposal for reorganization. Both applicants are public utility subsidiaries of Alliant Energy, Inc. On August 28 the Board issued an order accepting the filing, commencing an investigation, setting a hearing date and procedural schedule, and extending the 90-day decision deadline by an additional 60 days. On November 30 the Board terminated the docket, did not disapprove the application for reorganization, and ordered the applicants to file any material changes to the proposed reorganization that occur prior to the final closing of the reorganization.

**SPU-01-9, TF-01-222, WRU-01-37-526 (TCU-00-17) One Star Communications, LLC and One Star Long Distance, Inc.**  
On July 12, 2001, OneStar Communications, LLC, OneStar Long Distance, Inc., and CRG International, Inc. (Network One), filed with the Board a notification of transfer of assets from OneStar Long Distance and Network One to OneStar Communications, LLC. OneStar Communications, LLC, filed a proposed tariff with the terms, conditions, and rates for providing local exchange service. On August 20 the Board approved the tariff, identified as Docket No. TF-01-222, and granted the transfer of the certificate. In association with the certificate transfer, the Board also granted waivers of the requirements to use a prescribed system of accounts, to keep all records in Iowa, to independently publish a directory, and to allow the transfer of customer base without first obtaining each customer's authorization and verification. After the transfer, OneStar Communications, LLC, was to provide all services previously provided by OneStar Long Distance in Iowa. Network One had no customers in Iowa.

**SPU-01-10 MidAmerican Energy Company**

On June 29, 2001, MidAmerican Energy Company filed a request to waive the requirements of the weather normalization portion of 199 IAC 19.10(1)"a" for calculation of the sales volumes in the purchased gas adjustment filings. The rule states that a natural gas utility must use "actual sales volumes for the prior 12-month period ending June 30, with the necessary degree-day adjustments and further adjustments approved by the Board." It requires a utility to use the same weather normalization methodology used in a prior approved purchased gas adjustment and rate case unless it receives prior approval from the Board. The Board originally treated the

filing as waiver request and identified it as Docket No. WRU-01-35-156. Upon review, the Board determined that weather normalization portion of the rule contemplated prior approval. The identification was changed to Docket No. SPU-01-10. On July 31 the Board granted MidAmerican's request for prior approval of its weather normalization methodology. MidAmerican was allowed to begin using actual, rather than weather normalized, industrial sales volumes in the adjustment and realign weather stations it uses in determining the weather normalization requirement.

**SPU-01-11 Iowa Lakes Electric Cooperative and MidAmerican Energy Company**

On August 7, 2001, Iowa Lakes and MidAmerican filed a joint petition for modification of electric service area boundaries. No objections to the petition were filed. On August 28 the Board issued an order granting the petition. Service to one customer by Iowa Lakes in MidAmerican's exclusive territory preceded the assignment of exclusive territories. MidAmerican would have had to build facilities duplicating Iowa Lakes' existing facilities. Iowa Lakes will pay MidAmerican \$2,000 for the territory transfer, equal to three years of base revenue from the customer.

**SPU-01-12 Rhythms Links, Inc.**

On August 20, 2001, Rhythms Links filed a request to discontinue service in Iowa. The company stated that it is certified as a facilities-based and resale telecommunications provider. In communications with staff, Rhythms Links informed staff that it was not providing service to any voice customers in Iowa and requested that its Iowa certificate remain in effect pending the outcome of bankruptcy

proceedings. On August 29 Board staff informed Rhythms Links that its certificate will remain in effect as requested and asked the company to notify the Board promptly if it becomes apparent that the provision of local exchange service will no longer be possible.

**SPU-01-13 Sioux Center Municipal Utilities and North West Rural Electric Cooperative**

On September 6, 2001, Sioux Center and North West filed a joint petition for modification of electric service area boundaries. The applicants requested to transfer a parcel of land in Sioux County, owned by the City of Sioux Center, from North West to Sioux Center. The city stated its intention to transfer the parcel to the Sioux Center Land Development Corporation for the development of low and moderate-income housing. Sioux Center agreed to pay North West a sum of \$30,000 upon transfer of the service territory. On October 19 the Board granted the joint petition for modification of electric service area boundaries.

**SPU-01-14, TF-00-141, TF-00-142 (TCU-00-33) Arrival Communications, Inc.**  
See Docket No. TCU-00-33.

**SPU-01-15 IES Utilities Inc. and Access Energy, Inc.**

On September 28, 2001, IES and Access Energy filed a joint petition for modification of electric service area boundaries. The proposal calls for Access Energy to serve a residential customer in IES' existing service territory, because IES would have to charge the customer for extending its facilities to provide service. The docket is pending.

**SPU-01-16 City of Manilla, Municipal Gas Department**

On October 9, 2001, six complainants filed a letter requesting an investigation into the discontinuance of natural gas service by the City of Manilla, Municipal Gas Department, to their properties. The complainants alleged that Manilla originally constructed the 13,000-foot natural gas pipeline in the 1960s and that their properties were connected to the pipeline for natural gas service, which Manilla subsequently operated, maintained, and metered to provide them with gas service. In August 2001, the natural gas pipeline was severed and Manilla determined that the pipeline was unsafe for the transportation of natural gas and did not repair the pipeline. After subsequent negotiations, Manilla decided not to construct a new pipeline for the purpose of providing them with gas service. On October 25 the Board docketed the request for investigation and directed the City of Manilla to file a response to the allegations by October 31. On November 2 Manilla filed a response to the allegations, generally agreeing with facts concerning service to the complainants and stating that

when it has specifications and estimates for constructing a new pipeline, it will decide whether to apply to the Board for permanent discontinuance of service. The case is pending.

**SPU-01-17 IES Utilities Inc. and Maquoketa Valley Rural Electric Cooperative**

On September 19, 2001, IES and Maquoketa Valley filed a joint petition for modification of electric service area boundaries. No objections to the petition were filed. The applicants proposed changing their existing boundary in Jones County, because it crosses through several lots of a residential housing development called Timberwoods Acres. This has created confusion as to the appropriate electric service provider. The applicants proposed redrawing the boundary to parallel lot lines. No current customers of either utility would be affected. On December 12 the Board granted the joint petition for modification of electric service area boundaries, subject to complaint or investigation.

## **Telephone Certificates**

*Iowa Code § 476.29 gives the Board the authority to establish non-exclusive service territories for telephone utilities and grant certificates of public convenience and necessity. A TCU is established to enable the Board to evaluate requests to initiate or modify authority to provide local exchange telephone service. The Board examines each application to see if the company possesses the technical, financial, and managerial ability to provide the service it proposes to render and that the service is consistent with public interest. If this finding is made, the Board approves the application pending the filing and approval of maps and tariffs. A certificate of public convenience and necessity is then issued after the maps and tariffs are approved.*

### **TCU-96-6 Excel Telecommunications, Inc.**

On August 30, 1996, the Board issued an order approving the application of Excel to provide local exchange service in Iowa. That order stated that Excel must file proposed tariffs before a certificate would be granted. Proposed tariffs were not filed. On April 16, 2001, Excel filed a request to withdraw its application. On May 4 the Board approved Excel's request to withdraw its application.

### **TCU-97-20 Quintelco, Inc.**

On July 2, 1997, the Board issued an order approving the application of Quintelco to provide local exchange service in Iowa. That order stated that Quintelco must file proposed tariffs before a certificate would be granted. Proposed tariffs were not filed. On April 20, 2001, Quintelco filed a request to withdraw its application. On May 4 the Board approved Quintelco's request to withdraw its application.

### **TCU-97-21, TCU-97-29 Shellsburg Telecommunications, Inc.**

On August 8, 1997, the Board issued an order approving the application of Shellsburg Telecommunications, Inc. to provide local exchange service to the local exchanges of Walker, Brandon, Central City, Troy Mills, Rowley, Ryan, Center

Point, and Coggon. That order stated that Shellsburg must file proposed tariffs before a certificate would be granted. On October 9, 1997, the Board issued an order approving an application of Shellsburg to provide local exchange service in the Vinton exchange. Proposed tariffs were not filed for the exchanges cited in both orders. On April 23, 2001, Shellsburg filed a request to withdraw its application. On May 4 the Board approved Shellburg's request to withdraw its application.

### **TCU-97-27 (TF-01-331) Cox Iowa Telecom, L.L.C.**

On September 26, 1997, the Board granted the application of Cox to provide local exchange service in the Carter Lake and Council Bluffs exchanges served by U S West Communications, Inc. On March 25, 1999, the Board issued the certificate. On October 31, 2001, Cox Iowa Telecom requested to add Crescent to its local service area. On November 26 the Board approved Cox Telecom's proposed tariff revision and amended its certificate, which authorized service in the Carter Lake and Council Bluffs exchanges.

**TCU-97-30 (TF-01-165) Group Long Distance, Inc.**

On October 13, 1997, the Board approved the application of Group Long Distance to provide local exchange service in the Iowa exchanges served by U S West Communications, Inc. On June 6, 2001, Group Long Distance filed a tariff providing the proposed terms, conditions, and rates for its local exchange service. On June 20 the company made a filing and stated it would provide service in the local exchange territory of Qwest Corporation, f/k/a U S West Communications, and adopt the local exchange and service territory maps of Qwest. On July 5 the Board approved the proposed tariff, identified as Docket No. TF-01-165, and issued a certificate.

**TCU-97-38 U.S. Telco, Inc.**

On December 4, 1997, the Board issued an order approving the application of U.S. Telco to provide local exchange service in Iowa. That order stated that U.S. Telco must file proposed tariffs before a certificate would be granted. Proposed tariffs were not filed. On May 21, 2001, U.S. Telco filed a request to withdraw its application. On May 29 the Board approved U.S. Telco's request to withdraw its application.

**TCU-97-39 LDM Systems, Inc.**

On December 19, 1997, the Board issued an order approving the application of LDM for a certificate of public convenience and necessity to provide local exchange service in Iowa. That order stated that LDM would be issued a certificate once it had approved tariffs for rates, conditions, and terms of service it would be providing. Proposed tariffs were not filed. On January 3, 2001, LDM filed a request to transfer its application to its parent company, RSL Com U.S.A., Inc. On May 29 the Board approved the transfer request. On February 13 LDM requested the application be withdrawn

rather than transferred. On February 23 the Board approved LDM's request to withdraw its application.

**TCU-97-42 (TF-01-246) Twin Rivers Valley Internet Services, Inc., d/b/a Twin Rivers Valley Telephone**

On March 17, 1999, the Board approved the application of Twin Rivers to provide local exchange service in the Humboldt, Gilmore City, Hardy-Renwick, Bode-Livermore-Ottosen, Bradgate, LuVerne, Algona, Wesley, and Whittemore exchanges served by U S West Communications, Inc. On August 9, 2001, Twins Rivers filed its proposed tariff, which the Board rejected on October 1. The Board cited failure to provide the required terms, conditions, and rates for local exchange service.

**TCU-98-2 Western Iowa Power Cooperative**

On February 17, 1998, the Board issued an order approving the application of Western Iowa to provide local exchange service in Iowa. That order stated that Western Iowa must file proposed tariffs before a certificate would be granted. Proposed tariffs were not filed. On May 8, 2001, Western Iowa filed a request to withdraw its application. On May 10 the Board approved Western Iowa's request to withdraw its application.

**TCU-98-4 (TF-01-318) Clarence Telephone Company, Inc.**

On April 7, 1998, the Board approved the application of Clarence to provide competitive local exchange service in the Tipton and Stanwood exchanges served by Contel Systems of Iowa, d/b/a GTE Systems of Iowa. The Board also granted a certificate on April 7, 1998. On October 16, 2001, Clarence requested to amend its certificate because it is not providing service in the Stanwood exchange. On November 26 the Board approved the deletion of the

Stanwood exchange from Clarence's service territory.

**TCU-98-11 Central Communications Network, L.C.**

On July 23, 1998, the Board issued an order approving the application of Central to provide local exchange service in Iowa. That order stated that Central must file proposed tariffs before a certificate would be granted. Proposed tariffs were not filed. On April 20, 2001, Central filed a request to withdraw its application. On May 4, the Board approved Central's request to withdraw its application.

**TCU-98-23, TCU-99-22 JATO Operating Corporation, f/k/a JATO Communications Corporation**

On December 14, 1998, the Board issued an order approving the application of JATO to provide local exchange service in Iowa. That order stated that U.S. Telco must file proposed tariffs before a certificate would be granted. Proposed tariffs were not filed. On July 23, 1999, the Board issued an order in Docket No. TCU-99-22 recognizing the name change of the company to JATO Operating Corporation. The Board learned that JATO is no longer providing telecommunications services and no longer exists as a corporate entity. On June 6, 2001, the Board issued an order canceling JATO's approval of application to provide local exchange service in Iowa.

**TCU-99-7 ALLTEL Communications, Inc.**

On March 30, 1999, the Board issued an order approving the application of ALLTEL to provide local exchange service in Iowa. That order stated that ALLTEL must file proposed tariffs and service territory maps before a certificate would be granted. Proposed tariffs and service territory maps were not filed. On June 8, 2001, ALLTEL

filed a request to withdraw its application. On June 19 the Board approved ALLTEL's request to withdraw its application.

**TCU-99-16 (TF-01-4) Farmers Mutual Cooperative Telephone Company**

On May 28, 1999, the Board issued an order approving Farmers' application to amend its certificate of public convenience and necessity to provide resold local exchange services in Iowa. The amendment would allow Farmers to provide land-line local telephone services in the Portsmouth and Harlan exchanges, which were served by GTE Midwest Incorporated. On July 8, 1999, the Board issued an order granting the company's application to amend its certificate. On January 4, 2001, Farmers filed proposed tariffs designed to add the Harlan (town) exchange to its local exchange service territory. It concurs with the exchange service area map for the Harlan (town) exchange of Iowa Telecommunications Services, Inc. (GTE's successor). The company has not filed proposed tariffs to provide service to the Portsmouth exchange. On February 16 the Board issued a certificate of public convenience and necessity to provide service to the Harlan (town) exchange.

**TCU-99-20 (TF-99-283) Rhythms Links, Inc.**

On August 19, 1999, the Board approved the application of Rhythms Links to provide local exchange service in the exchanges served by U S West and GTE Midwest Incorporated. On December 7, 1999, the Board issued a certificate. On November 30, 2001, Rhythms Links filed a request to cancel its certificate and withdraw its tariffs. On December 14 the Board cancelled the certificate and withdrew the tariffs.

**TCU-99-26 (TF-01-319) Cedar Communications L.L.C.**

On December 23, 1999, the Board approved the application of Cedar to provide local exchange service in the Stanwood and Lowden exchanges served by GTE Midwest Incorporated. The Board also issued a certificate on December 23, 1999. On October 16, 2001, Cedar Communications filed a request to eliminate Lowden from its service territory. On November 26 the Board approved the proposed amendment.

**TCU-99-30 (TF-01-169) QuantumShift Communications, Inc., f/k/a MVX.COM Communications, Inc.**

On November 19, 1999, the Board approved the application of MVX.COM to provide local exchange service in the Iowa exchanges served by U S West Communications Corporation. The Board stated a certificate would not be issued until the company had an approved tariff and filed a statement that it would provide 2-PIC dialing parity to all customers. On June 7, 2001, QuantumShift filed its proposed tariff. QuantumShift provided for 2-PIC dialing parity in its proposed tariff. On July 5, 2001, the Board approved the tariff and issued a certificate of public convenience and necessity.

**TCU-99-36 (SPU-01-6) Eagle Communications of Iowa, Inc.**

On October 13, 1999, Eagle filed an application to provide local exchange service in the exchanges served by U S West. At the same time, Eagle filed a tariff and concurred in the maps of U S West. On January 7, 2000, the Board granted the application, approved the tariff, and issued a certificate. On June 6, 2001, Eagle filed a request to surrender its certificate. Eagle stated that it did not currently intend to conduct telecommunications business in

Iowa. On June 19 the Board issued an order canceling the certificate, effective July 6.

**TCU-99-43 Network Access Solutions Corporation**

On December 13, 1999, NASC filed an application to provide local exchange service in the exchanges served by U S West. The Board approved the application on January 31, 2000. A certificate would not be issued until tariffs were filed and approved. On May 2, 2001, NASC filed a request to withdraw its application. On May 4 the Board issued an order approving the request to withdraw the application.

**TCU-99-48 NorthPoint Communications, Inc.**

On December 29, 1999, NorthPoint filed an application to offer local exchange service in the exchanges served by U S West and GTE. At the same time, it adopted the maps of U S West and GTE and requested a waiver of the requirement that it independently publish a directory. The application and waiver requests were granted on February 23, 2000. A certificate would be issued after tariffs are filed and approved. On January 16, 2001, NorthPoint filed for federal bankruptcy protection due to a termination of an agreement to merge with Verizon Corporation. The bankruptcy court subsequently ordered the liquidation of NorthPoint's assets. On March 26 NorthPoint filed a request to withdraw its application. On April 5 the Board issued an order approving the request.

**TCU-00-1 BroadStream Corporation**

On January 12, 2000, BroadStream filed for a certificate to provide facilities-based and resale local exchange service to small and medium-sized business customers in the Cedar Rapids, Davenport, Des Moines, and Waterloo exchanges. Broadstream indicated it would adopt the U S West service area

maps. The company also asked for a waiver of the requirements to use a prescribed system of accounts, to independently publish a directory, and to keep its records in Iowa. On March 21 the Board granted the application and the waivers. After tariffs were filed and approved, a certificate would be issued. On March 26, 2001, Broadstream notified the Board that the corporation had been dissolved and requested its certificate be canceled. Although no certificate had been issued, the Board treated the request as a request to withdraw the application. On April 5 the Board approved the application withdrawal.

**TCU-00-9 @Link Networks, Inc., f/k/a Dakota Services, Ltd.**

On February 24, 2000, @Link filed an application to provide resold and facilities-based local exchange service in the service territories of U S West, GTE, and Frontier. @Link would adopt the current maps of the three companies. At the same time, @Link requested waivers of the requirements to use a prescribed system of accounts and to independently publish a directory. On May 19 the Board granted the application and the waivers. A certificate would be issued after tariffs are filed and approved. On May 14, 2001, @Link filed a request to withdraw its application due to financial constraints. On May 22 the Board issued an order approving the request to withdraw the application.

**TCU-00-14 (TCU-96-8) Teleglobe Business Solutions Inc.**

On September 20, 1996, the Board issued an order approving the application of Dial & Save of Iowa, Inc., to provide local exchange service in Iowa. A certificate was never issued to Dial & Save because it did not file tariffs or maps for Board approval. On March 20, 2000, Teleglobe filed a request for a name change from Dial & Save of Iowa to Teleglobe Business Solutions Inc.

On May 19 the Board granted the name change. A certificate would not be issued until maps and tariffs are filed and approved. On March 9, 2001, Teleglobe filed a request to withdraw its application. On March 21 the Board issued an order approving the request.

**TCU-00-17 OneStar Long Distance, Inc.**  
See Docket No. SPU-01-9.

**TCU-00-18 (TF-01-150) TRX, Inc.**

On March 27, 2001, TRX filed an application to provide resold and facilities-based local exchange service in certain exchanges of U S West and GTE. It concurred with the maps of U S West and GTE. TRX also asked for waiver of the requirements to use a prescribed system of accounts and to independently publish a directory. The Board granted the application and waivers on June 26. On August 20, 2001, the Board issued a certificate.

**TCU-00-19 Partner Communications Cooperative, f/k/a Mid-Iowa Telephone Co-op Association**

On March 27, 2000, Mid-Iowa Telephone filed an application to modify its certificate by expanding its service area. It also filed new tariff pages. On June 26, 2000, the Board granted the amendment and issued an amended certificate. On August 8, 2001, Partner Communications Cooperative filed an application to reflect its name change. On August 16 the Board amended its certificate to reflect the name change.

**TCU-00-20 (TF-01-90) Essential.com, Inc.**

On April 3, 2000, Essential filed an application to provide resold local exchange service in U S West exchanges. It would adopt the maps of U S West. It also asked for waiver of the requirements to use a

prescribed system of accounts, to keep all records in Iowa, and to independently publish a directory. On June 27 the Board granted the application and waivers. A certificate would be issued after tariffs are filed and approved. On March 22, 2001, Essential filed a tariff for Board review. On June 19 the Board rejected Essential's proposed tariff due to non-notification of affected carriers. In that order, the Board stated that Essential could refile its proposed tariff when it provided proper notice to all affected carriers.

**TCU-00-27 (TF-00-272) Primus Telecommunications, Inc.**

On May 12, 2000, Primus filed an application to provide resold local exchange service in the exchanges served by Qwest, Iowa Telecom, and Frontier. It adopted the maps of those companies. Primus also requested waiver of the requirements to use a prescribed system of accounts, to keep all records in Iowa, and to independently publish a directory. On August 10 the Board granted the application and waivers. Primus filed a proposed tariff on October 24. On January 26, 2001, the Board issued a certificate.

**TCU-00-33 (TF-00-141, TF-00-142) Arrival Communications, Inc.**

On June 5, 2000, Arrival filed an application to provide resold and facilities-based local exchange services in the service territories of Qwest and Iowa Telecom. It concurred in the maps of Qwest and Iowa Telecom. Arrival also requested waiver of the requirements to keep its records according to the uniform system of accounts, to keep its records in Iowa, and to independently publish a directory. Tariffs were filed on the same day. The Board granted the application and waivers and approved the tariffs on September 5. A certificate was also issued on September 5. On September

14, 2001, Arrival filed a request to surrender or withdraw its existing certificate and tariffs. On September 24 the Board issued an order approving the request.

**TCU-00-39 (WRU-00-51-3430) Vectris Telecom, Inc.**

On July 6, 2000, Vectris filed an application to provide resold and facilities-based local telecommunications services in the Qwest service territory. The company requested waiver of the requirements to use a prescribed system of accounts, to keep its records in Iowa, and to independently publish a directory. The application and waivers were granted on October 3. A certificate would be issued after tariffs and maps were filed and approved. On May 29, 2001, Vectris filed a request to surrender or withdraw its application. On June 6 the Board approved the request to withdraw the application.

**TCU-00-40 Community Cable Television Agency of O'Brien County, d/b/a Community Cable Television**

On July 6, 2001, Community filed an application to provide local exchange services in certain Iowa Telecom and Northern Iowa Telephone Company exchanges. The company concurred in the maps of Iowa Telecom and NITC. On September 12 the Board approved the application. On September 20, 2001, Community Cable Television Agency of O'Brien County, f/k/a Community Cable Television, filed its proposed tariff with the Board. On October 17, 2001, the Board approved the proposed tariff and issued a certificate.

**TCU-00-43 (TF-01-22) Harlan Municipal Utilities**

On July 27, 2000, Harlan filed an application to provide local exchange service in the Harlan exchange served by Iowa Telecom. It adopted the exchange map of Iowa Telecom. On September 8 the Board granted the application. A certificate would be issued after a tariff was filed and approved. On January 29, 2001, Harlan filed a proposed tariff. On March 21 the Board issued an order approving the proposed tariff and issuing a certificate for Harlan to provide local exchange service in the Harlan exchange.

**TCU-00-44 (WRU-00-55-3472) Telergy Network Services, Inc.**

On July 31, 2000, Telergy filed an application to provide resold and facilities-based local exchange services in the service territories of Qwest. It adopted the maps of Qwest. At the same time, Telergy requested waiver of the requirements to use a prescribed system of accounts, to keep its records in Iowa, and to publish a directory. On September 18 the Board approved the application and granted the waivers. On October 11, 2001, Telergy filed a letter with the Board requesting withdrawal of its tariff and cancellation of its certificate. On October 26 the Board approved the requests.

**TCU-00-52 (TF-02-169, WRU-00-84-3518) Premiere Network Services, Inc.**

On September 5, 2000, Premiere filed an application to provide resold and facilities-based local exchange service. It adopted the Qwest maps in Henry, Louisa, Muscatine, and Scott Counties. Premiere requested waiver of the requirements to keep records according to the uniform system of accounts, to keep its records in Iowa, and to independently publish a directory. On December 1 the Board extended the date for making a determination on the application to

February 1, 2001, because Premiere did not provide proof of notice. On January 22, 2001, the Board issued an order granting the application and concurrence of maps. The Board stated that Premiere would be issued a certificate when tariffs are filed and approved and all affected local exchange carriers were provided notice.

**TCU-00-60 (TF-00-261, WRU-0073-3512) New Access Communications LLC**

On October 12, 2000, New Access filed to provide local exchange service. It also requested waiver of the requirements to use a prescribed system of accounts, to keep its records in Iowa, and to publish a directory. On January 5, 2001, New Access filed proposed tariffs containing the rates and services to be provided. On January 9 New Access was given a 60-day extension to complete the filing requirements. On January 19 New Access filed revisions to its proposed tariffs. On January 30 the Board issued an order approving the application, tariffs, and concurrence in maps, granting the waivers, and issuing a certificate.

**TCU-00-61 (WRU-00-84-3518) Vectren Communications Services, Inc.**

On December 5, 2000, Vectren filed an application to provide statewide facilities-based and resold local exchange service in the exchanges served by Qwest Corporation, Iowa Telecommunication Services, and Frontier Communications of Iowa. It also requested waiver of the requirements to use a prescribed system of accounts, to keep its records in Iowa, and to publish a directory. On January 22, 2001, the Board approved the application, concurrence in maps of Qwest, Iowa Telecom, and Frontier, and the waiver request. The company must file proposed tariffs and have them approved and notice all affected local exchange carriers before the Board issues a certificate.

**TCU-00-62 (WRU-00-86-3427) eVulcan, Inc., d/b/a beMANY!**

On December 18, 2000, eVulcan filed to provide local exchange services in the exchanges served by Qwest and Iowa Telecom. It also requested waiver of the requirements to use a prescribed system of accounts, to keep its records in Iowa, and to publish a directory. On January 26, 2001, the Board issued an order approving the application and concurrence in maps and granting the waiver requests. The Board stated it would issue a certificate after tariffs are filed and approved and eVulcan provided notice to all affected local exchange carriers. On October 30 eVulcan filed a letter with the Board requesting to withdraw its application. On November 5 the Board issued an order approving the withdrawal of the application.

**TCU-00-63 (WRU-01-14-396) Huxley Communications Cooperative**

On December 26, 2000, Huxley filed to provide local exchange services in the exchanges of Cambridge, Slater, and Elkhart. It also requested waiver of the requirements to use a prescribed system of accounts, to keep its records in Iowa, and to publish a directory. On March 23, 2001, the Board issued an order approving the application and concurrence in maps of Iowa Telecom and granting the waiver requests. On August 30 Huxley filed proposed tariffs to add the exchanges of Slater and Cambridge. On September 6 the Board approved the tariffs and issued an amended certificate. Huxley did not seek certification for the Elkhart exchange at the time.

**TCU-01-1 (WRU-01-13-3524) ARBROS Communications, Inc.**

On February 13, 2001, ARBROS filed an application to provide local exchange service. It also requested waiver of the requirements to use a prescribed system of

accounts, to keep its records in Iowa, and to publish a directory. On March 26 the Board approved the application and granted the waiver requests. The company must file proposed tariffs and have them approved and notice all affected local exchange carriers before the Board issues a certificate.

**TCU-01-2 Mapleton Communications Utility**

On February 14, 2001, Mapleton filed an application to provide local exchange service in the Mapleton exchange. On March 21 the Board approved the application and concurrence in maps of Qwest Corporation. The company must file proposed tariffs and have them approved and notice all affected local exchange carriers before the Board issues a certificate.

**TCU-01-3 (WRU-01-9-3531) Avera Communication, LLC**

On February 26, 2001, Avera filed an application to provide local exchange service in the exchanges served by Qwest and Iowa Telecom. It also requested waiver of the requirements to use a prescribed system of accounts, to keep its records in Iowa, and to publish a directory. On April 20 the Board approved the application and concurrence in maps of Qwest and Iowa Telecom and granted the waiver requests. The company must file proposed tariffs and have them approved and notice all affected local exchange carriers before the Board issues a certificate.

**TCU-01-4 (TF-01-277, WRU-01-18-3530) Guthrie Telecommunications Network, Inc.**

On February 26, 2001, Guthrie filed an application to provide local exchange service in the Guthrie exchange served by Iowa Telecom. It also requested waiver of the requirement to publish a directory. On April 30 the Board approved the application

and concurrence in maps of Iowa Telecom and granted the waiver request. The company was ordered to provide customer-listing information to the incumbent local exchange carrier for inclusion in the local directory. On September 6 Guthrie filed a proposed tariff. On October 5 the Board approved the tariff and issued a certificate.

**TCU-01-5 (TF-01-274) Reinbeck Municipal Telecommunications Utility**

On February 26, 2001, Reinbeck filed an application to provide local exchange service in the Reinbeck exchange served by Iowa Telecom. On April 13 the Board approved the application and concurrence in maps of Iowa Telecom. On September 4 the company filed a proposed tariff containing the terms, conditions, and rates for service. On October 5 the Board issued a certificate.

**TCU-01-6 (TF-01-136/TF-01-87, WRU-01-15-3537) Choicetel, LLC**

On March 19, 2001, Choicetel filed an application to provide local exchange service throughout the state in exchanges served by Qwest. It also requested waiver of the requirements to use a prescribed system of accounts, to keep its records in Iowa, and to publish a directory. On May 14 the Board approved the application and concurrence in maps of Qwest and granted the waiver requests. Also on May 14 the Board issued a certificate to the company.

**TCU-01-7 (TF-01-106, WRU-01-27-591) NOS Communications, Inc.**

On April 2, 2001, NOS filed an application to provide local exchange service in Iowa. On April 19 Consumer Advocate filed an objection to the application. On May 15 NOS filed a request for an extension of time until May 29 to respond to the objection, which was granted by the Board on May 18. On June 13, the Board docketed the

application for hearing, extended the time to consider the application until August 30, and assigned the case to an administrative law judge. On June 15 the Board established the procedural schedule and a July 18 hearing date. On June 21 NOS and Consumer Advocate filed a joint "Motion to Waive Deadline for Determination on Application." The parties requested the procedural schedule and hearing date be temporarily suspended to allow time for further discussions between them. On June 26 the Board issued an order suspending the proceeding, which withdrew the application without prejudice and allowed for re-filing at a later date.

**TCU-01-8 (WRU-01-20-3548) KMC Data, LLC**

On April 23, 2001, KMC filed an application to provide local exchange service throughout the state in exchanges served by Qwest and Iowa Telecom. It also requested waiver of the requirements to use a prescribed system of accounts, to keep its records in Iowa, and to publish a directory. On June 1 the Board approved the application and concurrence in maps of Qwest and Iowa Telecom and granted the waiver requests. The company must file proposed tariffs and have them approved and notice all affected local exchange carriers before the Board issues a certificate.

**TCU-01-9 (WRU-01-21-3556) Ascendtel, LLC**

On April 23, 2001, Ascendtel filed an application to provide local exchange service throughout the state in exchanges served by Qwest Corporation. It also requested waiver of the requirements to use a prescribed system of accounts, to keep its records in Iowa, and to publish a directory. On June 21 the Board approved the application and concurrence in maps of Qwest and granted the waiver requests. The

company must file proposed tariffs and have them approved and notice all affected local exchange carriers before the Board issues a certificate.

**TCU-01-10 Osage Municipal Communications Utility**

On May 10, 2001, Osage filed an application to provide local exchange service in the Osage exchange served by Qwest Corporation. On July 13 the Board approved the application and concurrence in maps of Qwest. The company must file proposed tariffs and have them approved and notice all affected local exchange carriers before the Board issues a certificate.

**TCU-01-11 (TF-01-158/WRU-01-22-3547) Williams & Company Communications, Inc.**

On May 11, 2001, Williams filed an application to provide local exchange service throughout the state in exchanges served by Qwest Corporation, Citizens Communications Company, Frontier Communications, and Iowa Telecommunications Services. It also requested waiver of the requirements to use a prescribed system of accounts and publish a directory. On July 23 the Board issued an order docketing Williams' application and establishing a procedural schedule. On July 25 Williams filed a letter requesting to withdraw its application. On August 6 the Board approved the request to withdraw the application and canceled the procedural schedule.

**TCU-01-12 (WRU-01-24-3559) AGI Iowa, Inc.**

On May 17, 2001, AGI Iowa filed an application to provide local exchange service throughout the state in exchanges served by Qwest Corporation. It also requested waiver of the requirements to use a prescribed system of accounts, to keep its

records in Iowa, and to publish a directory. On June 21 the Board approved the application and granted the waiver requests. The company must file proposed tariffs and have them approved, adopt the maps of Qwest where it intends to provide service, and notice all affected local exchange carriers before the Board issues a certificate.

**TCU-01-13 (FCU-00-4) LTDS Corporation**

On August 28, 2000, LTDS filed a complaint alleging Iowa Telecom refused to provide interconnection trunks required by LTDS to operate as a competitive local exchange carrier. Iowa Telecom was required to answer the complaint by September 6. Iowa Telecom filed its answer on September 7 saying that it did not refuse to interconnect with LTDS, but disputed LTDS's interpretation of how (or whether) Internet traffic should be exchanged pursuant to the interconnection agreement. A hearing was held on November 8 and 9. On December 22 the Board issued an order requiring interconnection pursuant to the agreement that is based upon the premise that there will be a mutual exchange of traffic. It directed Iowa Telecom to provide all local interconnection trunks requested by a CLEC, at no cost to the CLEC. Further, the Board determined that ISP-bound traffic is local exchange traffic as defined in the interconnection agreement that, in turn, requires that Iowa Telecom provide the local interconnection trunks for which LTDS places an order. Continuation of these benefits would depend on whether LTDS competes effectively for other customers. On June 5, 2001, the Board issued a written order directing LTDS to show cause why its CLEC certification should not be revoked because it did not appear to be making service available to all eligible customers in its service territory as obligated by its tariff. The order established Docket No. TCU-01-

13. It also set a procedural schedule and an August 14 hearing date. The Board stated that since the issuance of its December 22, 2000, order it had become concerned that actions on the part of LTDS did not appear to be the actions of a bona fide CLEC. LTDS was ordered to file by June 22 prepared direct testimony with supporting exhibits and work papers responding to preliminary concerns raised in the order, as well as any evidence showing LTDS operates as a bona fide CLEC. On June 19 the Board extended the procedural schedule and rescheduled the hearing to August 28. LTDS filed a motion to dismiss the certificate revocation proceeding on June 19 and renewed its motion to dismiss on August 22. On August 28 the Board denied LTDS's motion to dismiss and took official notice of the record in Docket No. FCU-00-4 in the revocation proceeding. The final decision in Docket No. TCU-01-13 is pending.

**TCU-01-14 (TF-01-344, WRU-01-54-263) Iowa Telecom Communications, Inc.**

On July 12, 2001, Iowa Telecom Communications filed an application to provide local exchange service throughout the state except in the service territory of Iowa Telecommunications Services. In its application, the company stated that it is a wholly-owned subsidiary of Iowa Telecom. On August 1 the Board approved the application. On November 1 the company filed a proposed tariff providing terms, conditions, and rates for local exchange service for residential and business customers in the Oskaloosa exchange as described in the local exchange maps of Qwest Corporation. On December 12 the Board approved the tariff, granted a waiver of the requirement to publish a telephone directory, and issued a certificate.

**TCU-01-15 (WRU-01-39-3502) Telecents Communications, Inc.**

On July 30, 2001, Telecents filed an application to provide local exchange service throughout the state in exchanges served by Qwest and Iowa Telecom. It also requested waiver of the requirements to use a prescribed system of accounts, to keep its records in Iowa, and to publish a directory. On September 6 the Board approved the application, concurrence in maps of Qwest and Iowa Telecom, and granted the waiver requests. The company must file proposed tariffs and have them approved and notice all affected local exchange carriers before the Board issues a certificate.

**TCU-01-16 (WRU-01-40-3581) NTERA, Inc.**

On May 17, 2001, NTERA filed an application to provide local exchange service in the Iowa exchanges served by Qwest. It also requested waiver of the requirements to use a prescribed system of accounts, to keep its records in Iowa, and to publish a directory. On September 11 the Board approved the application, concurrence in the maps of Qwest, and granted the waiver requests. The company must file proposed tariffs and have them approved, adopt the maps of Qwest where it intends to provide service, and notice all affected local exchange carriers before the Board issues a certificate.

**TCU-01-17 (WRU-01-42-3590) CS Technologies, Inc.**

On August 23, 2001, CS Technologies filed an application to provide local exchange service in Iowa in the exchanges served by Qwest Corporation. It also requested waiver of the requirements to use a prescribed system of accounts and to publish a directory. On October 4 the Board approved the application, concurrence in the maps of Qwest, and granted the waiver requests.

The company must file proposed tariffs and have them approved and notice all affected local exchange carriers before the Board issues a certificate.

**TCU-01-18 (TF-01-325,WRU-01-43-3575)  
Digital Telecommunications, Inc.**

On August 31, 2001, Digital filed an application to provide local exchange service to both business and residential customers in exchanges served by Qwest Corporation. It also requested waiver of the requirements to use a prescribed system of accounts, to keep its records in Iowa, and to publish a directory. On October 19 the Board approved the application, concurrence in maps of Qwest, and granted the waiver requests. On October 26 the company filed a proposed tariff providing the terms, conditions, and rates for service. On November 26 the Board approved the tariff and issued a certificate.

**TCU-01-19 Heart of Iowa  
Communications Cooperative, f/k/a Heart  
of Iowa Telecommunications Cooperative**

On September 29, 1992, the Board issued an order granting a certificate of convenience and necessity to provide basic local telecommunications service to Heart of Iowa. A certificate was issued to provide service in the Albion, Ferguson, Haverhill, Green Mountain, Liscomb, New Providence, and Union exchanges. On September 10, 2001, Heart of Iowa Telecommunications filed a pleading stating it had changed its corporate name and requested an amended certificate. On October 1 the Board amended the certificate to include the new name, Heart of Iowa Communications Cooperative.

**TCU-01-20 (WRU-01-44-3308)  
Woolstock Fiber Company**

On September 19, 2001, Woolstock filed an application to provide local exchange

service to both business and residential customers in the Webster City exchange served by Qwest. It also requested waiver of the requirement to publish a directory. On December 12 the Board approved the application and concurrence in maps of Qwest and granted the waiver request. The company must file proposed tariffs and have them approved and notice all affected local exchange carriers before the Board issues a certificate.

**TCU-01-21 (WRU-01-47-582) VarTec  
Telecom, Inc.**

On September 27, 2001, VarTec filed an application to provide local exchange service to both business and residential customers throughout the state in exchanges served by Qwest. It also requested waiver of the requirements to use a prescribed system of accounts, to keep its records in Iowa, and to publish a directory. On December 18 the Board approved the application and concurrence in maps of Qwest and granted the waiver requests. The company must file proposed tariffs and have them approved and notice all affected local exchange carriers before the Board issues a certificate.

**TCU-01-22 Woodbine Municipal  
Communications Utility**

On November 6, 2001, Woodbine filed an application to provide local exchange service to both business and residential customers in the Woodbine exchange served by Iowa Telecommunication Services. On December 18 the Board approved the application and concurrence in maps of Iowa Telecom. The company must file proposed tariffs and have them approved and notice all affected local exchange carriers before the Board issues a certificate.

**TCU-01-23 Long Lines Metro, Inc.**

On December 13, 2001, Long Lines filed an application for issuance of a certificate of public convenience and necessity to provide local exchange service to business and residential customers in the Sioux City exchange served by Qwest Corporation. The company proposes a combination of facilities-based and resale telephone service in that exchange, mirroring the exchange service map of Qwest. The application is pending.

## **Waivers of Rules**

*A utility or interested person may petition the Board to temporarily lift a requirement to comply with a certain rule or rules if circumstances make compliance impractical or inappropriate. The Board decision for a rule waiver (WRU) considers the interests of both the utility and its customers.*

### **WRU-98-39-151 IES Utilities Inc.**

On September 15, 1998, IES filed a request for waiver of two of the electric flexible rate rules, 199 IAC 20.14(3)"b" and "c," with respect to a proposed contract with Keokuk Ferro-Sil. These rules provide that the ceiling for all discounted rates shall be the approved rate on file for the customer's rate class and that the floor for the discount rate shall be equal to the energy costs and customer costs of serving a specific customer. The waiver applied to a contract with Ferro-Sil and based the price of electricity on a portion of Ferro-Sil's operating costs, not on IES's cost of service to provide electricity. After hearing, the Board granted the waiver for one year on December 23, 1998. On November 18, 1999, IES requested a two-year extension. The Board granted an extension of the waiver for one year on December 30, 1999. On October 6, 2000, IES filed a request for a two-year extension of the waiver. On November 21 the Board granted a temporary waiver.

On March 21, 2001, the Board granted the request for a two-year waiver extension. On April 6 Consumer Advocate filed an application for rehearing, which was granted on May 3. The hearing was held on July 6. On July 27 the Board issued an order affirming its two-year waiver extension, stating that the Ferro-Sil contract is unique because it bases the price of electricity on a portion of Ferro-Sil's operating costs, not IES' cost of service to produce electricity, so

the price paid by Ferro-Sil for electricity was allowed to vary, depending upon its operating cost. That price could be above or below the price ceiling and price floor.

### **WRU-99-40-151, EAC -01-07 (ARC-01-150, ARC-01-151) Interstate Power Company and IES Utilities, Inc.**

On October 29, 1999, the Board granted IES a waiver of the method of calculating the energy adjustment clause (EAC) factor found in IAC 199 chapter 20.9. On March 26, 2001, the Board granted IES a supplemental waiver to collect an undercollection of energy costs (which were unusually high) between December 1999 and February 2000. IES was allowed to include an additional \$.008 per kWh to its EAC for April and May 2001 and an additional \$.004 to its EAC for June 2001. The company cited unusually high fuel costs.

### **WRU-00-51-3430 (TCU-00-39) Vectris Telecom, Inc.**

See Docket No. TCU-00-39.

### **WRU-00-55-3472 (TCU-00-44) Telergy Network Services, Inc.**

See Docket No. TCU-00-44.

### **WRU-00-66-3495 (TCU-00-52) Premiere Network Services, Inc.**

See Docket No. TCU-00-52.

**WRU-00-73-3512 (TCU-00-60) New Access Communications LLC**  
See Docket No. TCU-00-60.

**WRU-00-84-3518 (TCU-00-61) Vectren Communications Services, Inc.**  
See Docket No. TCU-00-61.

**WRU-00-85-3475 Zone Telecom, Inc.**  
On December 15, 2000, Zone filed a request for waiver of the rule that requires individual customer verification to change the customer's local or long distance provider. Zone had purchased The Furst Group, Inc., including Furst's customer base of 259 customers. Zone intended to continue to provide long distance service to those customers. On January 17, 2001, the Board granted the waiver request.

**WRU-00-86-3427 (TCU-00-62) eVulcan, Inc., d/b/a beMANY!**  
See Docket No. TCU-00-62.

**WRU-00-87-3057 Verizon Select Services Inc. and Bell Atlantic Communications Inc., d/b/a Verizon Long Distance**  
On December 26, 2000, VSSI and VLD filed a request for waiver of the rule requiring individual customer verification to change the customer's local or long distance service. VSSI and VLD are wholly-owned subsidiaries of Verizon Communications. VSSI will be transferring its customers to VLD as part of a corporate restructuring. On January 20, 2001, the Board granted the waiver request.

**WRU-00-88-272 (WRU-99-8-272, INU-00-3) U S West Communications, Inc., n/k/a Qwest Corporation**  
See Docket No. INU-00-3.

**WRU-01-1-151, WRU-01-2-150 IES Utilities and Interstate Power Company**  
On January 23, 2001, IES and Interstate filed a request for waiver of 199 IAC 35.12(2), which requires a utility to file an automatic adjustment of its energy efficiency cost recovery factors by March 1 of each year for the 12-month period beginning at the start of the first billing month at least 30 days after the Board's approval of the filing. On February 15 the Board granted waivers, which allow Alliant Energy to jointly file the IES and Interstate cost recovery factors.

**WRU-01-3-150 (PGA-01-5) Interstate Power Company**  
On January 2, 2001, Interstate filed its January 2001 purchased gas cost, identified as Docket No. PGA-01-5. On January 23 Interstate filed revisions to the original filing and requested a waiver of certain PGA requirements because its billing system was not currently capable of billing commodity costs of \$1 or more for purchased gas. On February 2 the Board granted Interstate a waiver of 199 IAC 19.10, which deals with PGA rate calculations.

**WRU-01-4-150 (PGA-01-7) United Cities Gas Company, A Division of Atmos Energy Corporation**  
On February 1, 2001, United Cities filed its February 2001 purchased gas cost, identified as Docket No. PGA-01-7. It also filed a request for waiver of the Rb factor calculation in 199 IAC 19.10. On February 2 the Board approved the waiver request that allowed an overcollection to be returned to customers in February of a winter season of high winter energy bills, rather than being spread over the remaining months of the PGA year.

**WRU-01-5-156 (EEP-95-3) MidAmerican Energy Company**

On February 2, 2001, MidAmerican filed a request for limited waiver of 199 IAC 35.6(4)"a"(2), which provides that an energy efficiency plan modification must be filed in the event expenditures for a customer class vary from the budgeted amount by more than 10 percent. MidAmerican requested waiver only for residential class spending for 2000 and 2001. During a period of volatile energy costs, MidAmerican stated it sought to focus time and resources on fulfilling customer requests for energy efficiency information and participation rather than preparing a plan modification filing. On February 16 the Board granted the proposed waiver, noting that energy efficiency programs offer customers an opportunity to reduce their energy bills.

**WRU-01-6-156 (PGA-01-9)**

**MidAmerican Energy Company**

On February 2, 2001, MidAmerican filed its February 2001 purchased gas adjustment (PGA) rates. It also requested a waiver of the Rb factor calculation in 199 IAC 19.10 to collect anticipated under-recoveries of gas cost over seven months rather than 11 months. The waiver would apply to PGA factor adjustments for the months of February through August 2001. On February 23 the Board granted the waiver request.

**WRU-01-7-225 Peoples Natural Gas Company, Division of Utilicorp United, Inc.**

On February 13, 2001, Peoples filed an application requesting a limited waiver of a March 1, 2001, compliance filing deadline in 199 IAC 35.12. The filing is to provide energy efficiency costs proposed to be recovered in gas rates during a 12-month recovery period. On March 21 the Board granted the waiver request, allowing Peoples

until September 1 to make the required filing.

**WRU-01-8 (DRU-01-1) Northern Iowa Windpower, L.L.C.**

See Docket No. DRU-01-1.

**WRU-01-9 (TCU-01-3) Avera Communication, L.L.C.**

See Docket No. TCU-01-3.

**WRU-01-10-156 MidAmerican Energy Company**

On March 1, 2001, MidAmerican Energy Company filed an application requesting a waiver of certain requirements for its past gas cost recoveries in 199 IAC 35.12 (3). On March 29 the Board granted the waiver request, allowing MidAmerican to extend the close of the cost recovery from September 30 until December 31 to help avoid peaks in the energy cost recovery factor.

**WRU-01-11-225 Peoples Natural Gas Company, Division of Utilicorp United, Inc.**

On March 7, 2001, Peoples filed an application requesting a waiver of the requirements of 199 IAC 19.3(7) and (8) that require natural gas utilities to schedule monthly meter readings. The waiver would allow Peoples to continue its bimonthly meter reading project for the year 2001 under the same conditions as granted in the Board's order in Docket No. WRU-99-13-225, issued May 6, 1999. The original waiver request was approved on May 6, 1996, and the Board has approved waiver extensions in subsequent years. On March 29, 2001, the Board granted the latest waiver request.

**WRU-01-12-156 MidAmerican Energy Company**

On March 14, 2001, MidAmerican filed a request to amend the eligibility requirements for its customer contribution fund. The amendments would allow for the acceptance of a significant contribution from the United Way of the Quad Cities. The Board approved the amendments to MidAmerican's customer contribution fund. However, because the Board viewed the contributions as supplemental to LIHEAP assistance, a waiver was not required.

**WRU-01-13-3524 (TCU-01-1) ARBROS Communications Licensing Company Central, L.L.C.**

See Docket No. TCU-01-1.

**WRU-01-14-396 (TCU-00-63) Huxley Cooperative Telephone Company**

See Docket No. TCU-00-63.

**WRU-01-15-3537, TCU-01-6 (TF-01-136/TF-01-87) Choicetel, LLC**

See Docket No. TCU-01-6.

**WRU-01-16-156 (PGA-01-17) MidAmerican Energy Company**

On March 5, 2001, MidAmerican filed its March 2001 purchased gas adjustment (PGA) rates. It also requested a waiver of the Rb factor calculation in 199 IAC 19.10 to collect anticipated under-recoveries of gas cost over six months rather than 11 months. The waiver would apply to PGA factor adjustments for the months of March through August 2001. On March 30 the Board granted the waiver request.

**WRU-01-17-156 (PGA-01-21) MidAmerican Energy Company**

On April 4, 2001, MidAmerican filed its April 2001 purchased gas adjustment (PGA) rates. It also requested a waiver of the Rb factor calculation in 199 IAC 19.10 to

collect anticipated under-recoveries of gas cost over five months rather than 11 months. The waiver would apply to PGA factor adjustments for the months of April through August 2001. On April 27 the Board granted the waiver request.

**WRU-01-18-3530 (TCU-01-4, TF-01-277) Guthrie Telecommunications Network, Inc.**

See Docket No. TCU-01-4.

**WRU-01-19-3468 Touch America Services, Inc. and Touch America, Inc.**

On April 13, 2001, Touch America Services and Touch America filed a request for a waiver of 199 IAC 22.23(2). The subrule requires individual customer verification to change the customer's local or long distance provider. Touch America Services was proposing to sell its assets and customer base to Touch America. On May 18 the Board granted the waiver request.

**WRU-01-20-3548 (TCU-01-8 ) KMC Data, LLC**

See Docket No. TCU-01-8.

**WRU-01-21-3556 (TCU-01-9) Ascendtel, LLC**

See Docket No. TCU-01-9.

**WRU-01-22-3547 (TCU-01-11, TF-01-158) Williams & Company Communications, Inc.**

See Docket No. TCU-01-11.

**WRU-01-23-3566, WRU-01-28-3565 Heartland Energy Group, Inc. and Kaztex Energy Management, Inc.**

On May 17, 2001, Heartland requested the waiver of certain provisions of 199 IAC 19.14, which requires the company to file an application for a certificate as a competitive natural gas provider. Heartland stated intention to exit the natural gas supply

business in Iowa by December 31. On June 28 the Board granted the waiver requests.

**WRU-01-24-3559 (TCU-01-12) AGI Iowa, Inc.**

See Docket No. TCU-01-12.

**WRU-01-25-736 City of Pella, Pella Municipal Electric Utility**

On May 25, 2001, the City of Pella, Pella Municipal Electric Utility, filed a request for waiver of the generating certificate requirements of Iowa Code chapter 476A for a proposed new facility with potential total nameplate capacity of 32 Megawatts. On June 21 the Board granted the request for waiver.

**WRU-01-26-3562 NorthWestern Energy, A Division of Northwestern Services Group, Inc.**

On May 29, 2001, NorthWestern filed a request for an extension of the filing date for competitive natural gas providers to apply for a certificate pursuant to 199 IAC 19.14(2). The subrule required providers transporting gas to customers in Iowa prior to April 25, 2001, to file for a certificate by June 1, 2001. NorthWestern requested a waiver to June 15. On May 31 the Board granted the waiver request.

**WRU-01-27-591 (TCU-01-7, TF-01-106) NOS Communications, Inc.**

See Docket No. TCU-01-7.

**WRU-01-29-265 (TF-01-152) Iowa Telecommunications Services, Inc., d/b/a Iowa Telecom**

On May 30, 2001, Iowa Telecom filed a proposed tariff to remove directory assistance service from its tariffs. Iowa Telecom also filed a request to waive the requirement to file a deregulation accounting plan for directory assistance service. On February 23 the Board

deregulated local directory assistance service in Docket No. INU-00-3. On June 28 the Board approved the proposed tariff and granted the waiver request based upon the decision in Docket No. INU-00-3.

**WRU-01-30-917 Corn Belt Power Cooperative and Basin Electric Power Cooperative**

On June 1, 2001, Corn Belt and Basin Electric filed a request for waiver of the generating certificate requirements of Iowa Code Chapter 476A for a proposed 80 megawatt gas/oil fired turbine in Clay County. On July 13 the Board granted the waiver request.

**WRU-01-31-3567 Enron Energy Services, Inc.**

On June 4, 2001, Enron filed a request for an extension of the filing date for competitive natural gas providers to apply for a certificate pursuant to 199 IAC 19.14(2). The subrule required providers transporting gas to customers in Iowa prior to April 25, 2001, to file for a certificate by June 1, 2001. Enron Energy Services requested a waiver to June 30. On June 7 the Board granted the waiver request.

**WRU-01-32-3572 (CGP-01-9) Tiger Natural Gas, Inc.**

See Docket No. CGP-01-9.

**WRU-01-33-3573 (CGP-01-13) Virginia Power Energy Marketing, inc.**

On June 4, 2001, Virginia Power filed a request for an extension of the filing date for competitive natural gas providers to apply for a certificate pursuant to 199 IAC 19.14(2). The subrule required providers transporting gas to customers in Iowa prior to April 25, 2001, to file for a certificate by June 1, 2001. Virginia Power requested a waiver to July 1. On June 7 the Board granted the waiver request.

**WRU-01-34-225 UtiliCorp United, Inc.**  
On June 19, 2001, UtiliCorp filed a request for waiver of Iowa Code § 476.76 and 476.77 and 199 IAC 32 with respect to the proposed sale of UtiliCorp Pipeline Systems, Inc. Board rules in 199 IAC 32 relate to Board review of reorganizations. On August 15 the Board granted the waiver request, finding that the sale of UtiliCorp Pipeline Systems would have no detrimental effect on UtiliCorp's Iowa customers or service.

**WRU-01-35-156**  
Void. See Docket No. SPU-01-10.

**WRU-01-36-225 Peoples Natural Gas Company, Division of UtiliCorp United, Inc.**  
On June 29, 2001, Peoples filed a request for a one-time extension of the filing date for the filing of the annual affiliate transactions as required by 199 IAC 31.3. The rule requires that by June 30 of each year all public utilities file copies of all contracts and agreements with affiliates over \$50,000 or 5 percent of capital equity. Peoples requested an extension until July 16. On July 10 the Board granted the waiver request.

**WRU-01-37-526, SPU-01-9, TF-01-222 (TCU-00-17) OneStar Communications, LLC and OneStar Long Distance, Inc.**  
See Docket No. SPU-01-9.

**WRU-01-38-156 MidAmerican Energy Company**  
On July 19, 2001, MidAmerican filed a request for a one-time waiver of the portion of 199 IAC 19.4(10)"c" and 20.4(11)"c" that requires the final payment of a second payment agreement be made by the 15<sup>th</sup> day of the next October. MidAmerican proposed extending the deadline for second payment agreements until December 15,

indicating exceptional winter heating price spikes made it difficult for many customers to pay bills. On August 6 the Board granted the limited waiver request.

**WRU-01-39-3502 (TCU-01-15) Telecents Communications, Inc.**  
See Docket No. TCU-01-15.

**WRU-01-40-3581 (TCU-01-16) NTERA, Inc.**  
See Docket No. TCU-01-16.

**WRU-01-41-233 Northern Natural Gas Company**  
On August 21, 2001, Northern filed a request for an expedited waiver of the requirements of 199 IAC chapter 9 in connection with a proposed pipeline project on the DeWitt Branchline. On August 31 the Board denied Northern's request for a waiver, which meant that Northern was required to follow the Board's land restoration rules for the DeWitt project.

**WRU-01-42-3590 (TCU-01-17) CS Technologies, Inc.**  
See Docket No. TCU-01-17.

**WRU-01-43-3575 (TCU-01-18, TF-01-325) Digital Telecommunications, Inc.**  
See Docket No. TCU-01-18.

**WRU-01-44-3308 (TCU-01-20) Woolstock Fiber Company**  
See Docket No. TCU-01-20.

**WRU-01-45-526 OneStar Long Distance, Inc. and AS Telecommunications, Inc.**  
On September 25, 2001, OneStar filed a request for a waiver of 199 IAC 22.23(2). The subrule requires individual customer verification to change the customer's local or long distance provider. In its waiver request, OneStar stated it signed a purchase agreement on August 30, 2001, with AS

Telecommunications, which served 15 customers in Iowa. On December 10 the Board denied the waiver request. OneStar was required to notify each of the 15 customers to be affected.

**WRU-01-46-150 IES Utilities Inc. and Interstate Power Company**

On September 25, 2001, IES and Interstate filed a request to waive the November 1, 2001, deadline for implementing bill proration requirements of 199 IAC 19.10(3) and bill estimation requirements of 199 IAC 19.3(8), which requires rate-regulated utilities to incorporate normalized weather data in their calculations of estimated bills. The two companies requested an extension of the implementation deadline to January 1, 2002, while they consolidate their billing systems. On October 5 and October 16 the Board granted the waiver requests.

**WRU-01-47-582 (TCU-01-21) VarTec Telecom**

See Docket No. TCU-01-21.

**WRU-01-48-222 (PGA-01-69) United Cities Gas Company, A Division of Atmos Energy Corporation**

On October 1, 2001, United Cities filed its annual purchased gas adjustment (PGA) reconciliation. On October 8 United Cities filed a request for waiver of 199 IAC 19.10(7)"b"(1) that specifies the handling of over- and under-collections resulting from the annual PGA reconciliation. United Cities requested it be allowed to return an overcollection through the PGA factor rather than by bill credit or check. On October 10 Consumer Advocate filed an objection and response to the waiver request. Consumer Advocate stated that customers were still recovering from the high cost of gas last winter and should receive full benefit of the rule that requires bill credits or checks for overcollection amounts over 3 percent. On

October 31 the Board denied the waiver request and directed United Cities to file a refund plan.

**WRU-01-49-156 MidAmerican Energy Company**

On October 11, 2001, MidAmerican requested a waiver of the Rb factor calculation in 199 IAC 19.10 to allow for filing of a separate Rb factor for storage costs only. MidAmerican proposed to apply the storage Rb factor to only those months when storage is consumed, November through April, rather than October through August. MidAmerican suggested that would allow it to more fairly distribute the cost of storage gas to the customers most closely associated with the use of storage gas. On November 8 the Board granted the waiver request, finding that it would be an undue hardship on MidAmerican and its customers to recover under-collections and over-collections of storage costs as currently required by 199 IAC 19.10.

**WRU-01-50-156 (GCU-0-1) MidAmerican Energy Company**

See Docket No. GCU-01-1.

**WRU-01-51-222 Atmos Energy Corporation**

On October 22, 2001, Atmos filed a request for waiver of 2001 Iowa Code §§ 476.76 and 476.77 and 199 IAC 32 with respect to the proposed purchase by Atmos of Mississippi Valley Gas Company. On December 10 the Board granted the waiver request, finding that review of the reorganization was not necessary and that it would be an undue hardship for Atmos to meet the filing requirements since the sale will have minimal or no effect on Iowa ratepayers.

**WRU-01-52-272 Qwest Corporation**

On November 1, 2001, Qwest filed a request for waiver of Iowa Code §§ 476.76 and 476.77 and 199 IAC 32 with respect to the proposed sale and transfer of assets located in Minnesota, New Mexico, and Nebraska. On November 28 the Board granted the waiver request, finding that review of the reorganization was not necessary and that it would be an undue hardship for Qwest to meet the filing requirements since the sale will have minimal or no effect on Iowa ratepayers.

**WRU-01-53-156 (RPU-01-9)**

**MidAmerican Energy Company**

See Docket No. RPU-01-9.

**WRU-01-54-263 (TCU-01-14, TF-01-344)**

**Iowa Telecom Communications, Inc.**

See Docket No. TCU-01-14.

**WRU-01-55-156 MidAmerican Energy Company**

On December 17, 2001, MidAmerican filed a request to waive part of a Board rule that pertains to pipeline safety standards for design, construction, operation, and maintenance of gas facilities. MidAmerican stated that the waiver concerns a 7.8-mile segment of gas distribution main serving Sioux City. This main forms the backbone of the distribution system that serves about 21,000 customers through seven district regulator stations. MidAmerican claims that the main cannot be taken out of service without interrupting natural gas supply to all or a major portion of the 21,000 customers. MidAmerican described four alternatives and proposed one that commits the company to perform annual leak surveys on the line while providing uninterrupted service to all 21,000 customers. The waiver request is pending.

## **Federal Agency Proceedings**

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### **Federal Energy Regulatory Commission**

The Board took an active role in the stakeholder process of the Midwest Independent Transmission System Operator (MISO). Under the direction of the FERC, MISO will serve as the not-for-profit regional transmission operator for the majority of Midwest transmission systems, including Alliant Energy's. Some of MISO's members in Illinois, Indiana, and Ohio chose to leave MISO for a rival organization. A hotly contested proceeding resulted in a settlement that allowed MISO's survival with adequate financial resources to become operational by the end of the year.

Also during the year, MidAmerican Energy Company, Alliant Energy Company, and Corn Belt Power Cooperative, along with utilities from Nebraska and Minnesota, worked on the formation of Translink Transmission Company, which would ultimately become a for-profit operator of the transmission systems of its members. Translink's initial proposal was filed at the FERC in September 2001. Translink would join MISO, but provide some functions for itself. FERC's approval of the project did not come in 2001, but is expected to provide early guidance for the relationship between transmission-only companies and the independent regional transmission operators like MISO. One objective of Translink and other transmission-only companies is to concentrate on transmission service as a viable business and develop necessary transmission facilities.

### **Federal Communications Commission**

The IUB files comments on FCC rulemaking proposals and participates in other FCC matters to protect the interests of Iowa's telecommunications markets and to encourage interstate regulatory policies that enhance effective competition in ways that benefit consumers.

Topics of IUB comments to the FCC include:

- Outreach for the Lifeline and Link-Up programs
- Exchange of transit traffic
- Separate affiliate requirements
- Services eligible to receive universal service funding (USF)
- Local number portability requirements for wireless service providers
- Intercarrier compensation
- USF contribution reform
- Numbering resource optimization

The IUB certified that eligible telecommunications carriers in Iowa are using universal service funding they receive for appropriate activities (based upon the carriers' certifications).

The IUB began participation in a multi-state process to determine Qwest's compliance with the competitive checklist in the Communications Act. This creative procedure provided a more efficient way for several states to review the prerequisites for Qwest to compete in interstate long distance markets.

## Court Cases

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### Iowa District Court

#### *Office of Consumer Advocate v. Iowa Utilities Board*

**Polk County No. AA-3682**  
**(Docket No INU-00-3)**

On May 11, 2001, Consumer Advocate sought judicial review in Polk County District Court of the Board's determination that local directory assistance service is subject to effective competition and should be deregulated. Three rounds of briefs were filed in September, October, and November 2001 and oral argument was heard on November 30, 2001.

#### *Office of Consumer Advocate v. Iowa Utilities Board*

**Polk County No. AA-3657**  
**(Docket No. RPU-00-1)**

Consumer Advocate sought judicial review in Polk County District Court of the Board's decision to deaverage Qwest Corporation's business line rates on April 9, 2001. After briefing, oral argument was made on October 16, 2001.

#### *Office of Consumer Advocate v. Iowa Utilities Board*

**Polk County No. AA-3693**  
**(Docket Nos. TF-00-250, RPU-98-4)**

Consumer Advocate appealed to the district court on two issues from Board orders addressing rate reductions under Qwest's price plan. One issue concerned whether the inflation rate should be calculated using the electronic publication by the federal government or the hard copy publication. The second issue concerned whether the reductions must be across-the-board, or can instead be targeted to certain services. Initial briefs were filed in November 2001.

### Iowa Supreme Court

#### *Office of Consumer Advocate v. Iowa Utilities Board*

**Supreme Court No. 01-1379; Polk County No. AA-3557**  
**(Docket No. FCU-99-3)**

The district court on July 26, 2001, affirmed the Board's orders finding certain provisions of Midland Power Cooperative's cogeneration tariff were in violation of Iowa Code § 476.21 because they unreasonably discriminated against customers because of the customers' intended use of renewable energy sources and upholding provisions of the Midland cogeneration tariff relating to insurance, interconnection, and similar matters. Consumer Advocate appealed to the Supreme Court on August 23, 2001. Consumer Advocate and the Board filed initial briefs in November 2001.

***Rutherford, et al., v. Iowa Utilities Board***

**Supreme Court No. 01-0646**

**Marshall County No. CV3082-0699**

**(Docket No. E-21258)**

On June 17, 1999, Bradley Rutherford, et al., filed a petition for judicial review of the Board's decision granting IES Utilities Inc. a franchise to build an electric transmission line in Marshall County. Among other things, Mr. Rutherford challenged the line route selected by the Board. The District Court affirmed the Board's order on March 1, 2001. The Rutherford's 179(b) motion was denied on March 23, 2001, and they appealed to the Supreme Court on April, 20, 2001. The Board's brief was filed in October 2001.

***MidAmerican Energy Company v. Iowa Utilities Board***

**S. Ct. No. 99-1529; Polk County Nos. AA-3173, AA-3195, AA-3196**

**(Docket Nos. C-97-53, C-98-119, C-98-137)**

Three appeals by MidAmerican Energy Company of similar Board orders were consolidated by the Polk County District Court. Each Board order denied MidAmerican a request for formal complaint proceedings and required MidAmerican to interconnect with an alternate energy production facility (AEP) under a net billing arrangement. On August 24, 1999, the District Court reversed the Board and found that net billing arrangements were preempted by federal law. The Board and Consumer Advocate filed a joint appeal to the Iowa Supreme Court on September 22, 1999. The final Board brief was filed on August 18, 2000. Pursuant to a joint motion of the parties, the appeal was stayed May 24, 2001. As contemplated by the joint motion, a tariff was filed with the Board by MidAmerican on September 24, 2001, which will resolve the case if approved.

***North Star Steel v. Iowa Utilities Board***

**S. Ct. No. 99-0342; Polk County No. AA-3127**

**(Docket No. DRU-98-1)**

On January 27, 1999, the District Court affirmed a declaratory ruling issued by the Board that found, among other things, that Iowa's exclusive electric service territory statutes (Iowa Code §§ 476.22 through 476.26) applied to generation, transmission, and distribution. North Star Steel appealed to the Iowa Supreme Court on February 25, 1999. The final brief was filed on October 8, 1999. The appeal was dismissed February 1, 2001.

***S.E. Iowa Cooperative Electric Association v. Iowa Utilities Board***

**S. Ct. No. 99-1376; Henry County No. LALA010133**

**(Docket Nos. E-21312, E-21313)**

On October 13, 1998, S.E. Iowa Cooperative filed a petition for judicial review of the Board's decision to grant Mt. Pleasant Municipal Utilities' petitions for franchise to erect transmission lines in Henry County, Iowa. The Board filed its responsive brief on May 26, 1999. Hearing and final submission occurred on June 7, 1999. The court issued a ruling on July 27, 1999, affirming the Board's decision and denying the appeal. S.E. Iowa Cooperative filed a notice of appeal on August 25, 1999. The Board filed its final Supreme Court brief on January 3, 2000. Oral argument was made on May 23, 2001, and the Court affirmed the Board's orders on September 6, 2001.

## U. S. District Court – Southern District of Iowa

### *Northern Natural Gas Company v. Utilities Board*

**District Court No. 4:01-CV-70473**

**(Docket No. RMU-99-10)**

Northern Natural challenged the Board's authority to promulgate land restoration rules for interstate pipeline projects on the grounds of federal preemption. The Board filed a motion to dismiss on September 5, 2001. An order dismissing the suit as to the Board, but denying the motion to dismiss as to the individual Board Members was issued on December 10, 2001, and the Board Members answered the petition on December 20, 2001. The court issued a scheduling order on that same date.

## U.S. Court of Appeals – Eighth Circuit

### *U S West Communications, Inc. v. Thoms, Boyd & George, AT&T, and MCI Metro Access Transmission, Inc.*

**8th Cir. No. 99-2589; S.D. IOWA No. 4-97-CV-70082**

**(Docket Nos. ARB-96-1, ARB-96-2)**

This is an appeal from a Board decision approving U S West interconnection agreements with MCI and AT&T. U S West mounted numerous statutory and constitutional challenges to the interconnection agreements. At the request of the Board, due to a change in the law, the court ordered a limited remand on January 14, 1998. The Board's decision on remand was returned to court on May 15, 1998. After answers and briefing, oral argument was held and the case was submitted on November 16, 1998. On January 25, 1999, the court issued an order affirming some of the provisions of the interconnection agreements and remanding others. This was the same day the Supreme Court issued its opinion in AT&T v. Iowa Utilities Board, which had a significant impact on the order. On April 19, 1999, the court issued an order granting MCI's and AT&T's motion for reconsideration and amending the former judgment. U S West filed a notice of appeal to the Eighth Circuit on May 20, 1999. On July 14, 1999, the clerk granted U S West's unopposed motion to hold the appeal in abeyance, pending the Eighth Circuit Court's decision on the AT&T v. Iowa Utilities Board remand issues. The case is held in abeyance pending the Supreme Court's decision on certiorary of the Eight Circuit's holding that the pricing methodology ordered by the Federal Communications Commission is unlawful.

## U. S. Supreme Court

### *Patrick Burke v. Iowa Utilities Board*

**Woodbury County No. LACV-115136; Ia. Supreme Court No. 97-1704; U. S. Supreme Court No. 01-5388**

**(Docket No. C-97-84)**

The Iowa Supreme Court denied this appeal from a Board order approving a disconnection of service on April 20, 2001. The U. S. Supreme Court denied appeal in September 2001.

## Assessments

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### Remainder Assessments for Fiscal Year 2001

#### Fiscal Year 2001 Expenditures

Utilities Division	\$ 5,713,259.27
Indirect Expenses	25,093.00
Administrative Services Expenses	161,997.36
<b>Total Assessable Base</b>	<b>5,900,349.63</b>

#### Fiscal Year 2001 Deductions

Direct Assessments	973,737.47
Federal OPS Reimbursement	169,986.00
Misc. Adjustments & Assessments	24,245.14
<b>Total Deductions</b>	<b>1,167,968.61</b>

**Fiscal Year 2000 Remainder Base**                      **\$ 4,732,381.02**

### 2000 Utility Revenues and 2001 Assessments

<b>Rate Regulated Utilities</b>	<b>2000 Revenues</b>	<b>2001 Assessments</b>
Water Companies	\$ 20,302,394	\$ 22,947.55
Electric Companies	1,909,648,567	2,277,014.25
Gas Companies	866,073,127	1,011,859.10
Telephone Companies	800,411,007	1,019,873.23
Rural Electric Cooperatives	19,425,974	23,163.02
<b>Sub-total</b>	<b>\$ 3,615,861,069</b>	<b>\$ 4,354,857.15</b>

#### Non-Rate Regulated Utilities

Municipal Electric Companies	\$ 285,267,591	\$ 170,072.75
Municipal Gas Companies	42,621,081	24,897.74
Rural Electric Cooperatives	306,201,677	182,553.38
<b>Sub-total</b>	<b>634,090,349</b>	<b>377,523.87</b>

**Total of All Utilities** **\$ 4,249,951,418** **\$ 4,732,381.02**

**Assessment Rates:**

Rate Regulated Water Utilities:	\$ .001130 or \$1.13 per \$1,000 of Assessable Revenue
Rate Regulated Electric Utilities:	\$ .001192 or \$1.19 per \$1,000 of Assessable Revenue
Rate Regulated Gas Utilities:	\$ .001168 or \$1.16 per \$1,000 of Assessable Revenue
Non-Rate Regulated Electric Utilities:	\$ .000596 or \$ .59 per \$1,000 of Assessable Revenue
Non-Rate Regulated Gas Utilities:	\$ .000584 or \$ .58 per \$1,000 of Assessable Revenue

## Direct Assessments

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### Direct Assessment Billings

1-800-RECONEX	\$ 404.44
ADVANCED TELECOM GROUP	236.45
AG PROCESSING	8.00
AGI IOWA, INC.	290.34
ALGONA MUNICIPAL UTILITIES	391.68
ALLIANCE PIPELINE	3,366.00
ALPINE COMMUNICATIONS	123.79
ALTA MUN. BROADBAND COMMUNICATION	194.12
AMES MUNICIPAL ELECTRIC UTILITIES	187.82
ANR PIPELINE COMPANY	4,910.50
ARBROS COMMUNICATION	599.57
ARCADIAN CORPORATION.	6.00
ARCHER DANIELS MIDLAND	8.00
AT&T COMMUNICATIONS	13,743.30
AT&T WIRELESS	4,963.55
AVERA COMMUNICATIONS	195.66
BEDFORD MUNICIPAL (Gas)	25.50
BRIGHTON MUNICIPAL GAS SYSTEM	15.00
BROOKLYN MUTUAL LIGHT PLANT	42.27
CDM COMMUNICATIONS	363.18
CENTRAL IOWA POWER COOPERATIVE	18,573.19
CENTRAL SCOTT	3,970.84
CENTURY TELEPHONE OF POSTVILLE	278.32
CHOICETEL	741.90
CITIZENS TELECOMMUNICATIONS	0.00
CLEARFIELD MUNICIPAL GAS	7.00
COMM SOUTH	257.15
COMPASS TELECOMMUNICATIONS	121.36
COMPUTER BUSINESS	158.34
CONSUMER ENERGY GROUP (Gas)	34.00
CONSUMERS ENERGY (MARSHALL CO. REC)	8,108.75
CORN BELT POWER COOPERATIVE	8,461.50
CORNING MUNICIPAL UTILITY (Gas)	20.00
CRYSTAL COMMUNICATIONS	169.16
DAIRYLAND POWER COOPERATIVE	2,065.32
DYNEGY	129.57
EQUISTAR CHEMICAL (Gas)	10.00
ESSENTIAL.COM	511.84
eVULKAN	280.47
FAIRBANK MUNICIPAL UTILITIY (Gas)	18.00

FAIRPOINT COMMUNICATIONS	100.04
FARMERS ELECTRIC COOPERATIVE	396.68
FIBERCOMM	2,147.07
FOREST CITY TELECOM	2,131.27
FRONTIER	204.91
FRONTIER COMMUNICATIONS OF IOWA	3,886.58
FRONTIER LONG DISTANCE OF AMERICA	126.42
GRISWOLD COOP TELEPHONE	324.44
GROUP LONG DISTANCE	301.93
GUTHRIE TELEPHONE NETWORK	413.22
HARLAN MUNICIPAL UTILITIES	194.12
HARRISON COUNTY REC	527.97
HEART OF IOWA COMMUNICATIONS	2,131.27
HEARTLAND ENERGY GROUP	192.51
HEARTLAND POWER COOPERATIVE	390.32
HEARTLAND TELECOMMUNICATIONS	220.38
HJN TELECOM	280.33
HUMBOLDT COUNTY REC	247.59
HUXLEY COOPERATIVE TELEPHONE	284.45
IES UTILITIES (ELECTRIC)	60,767.31
IES UTILITIES (GAS)	39,567.43
INDEPENDENT NETWORKS	2,131.27
INTERSTATE POWER (ELECTRIC)	40,303.66
INTERSTATE POWER COMPANY (GAS)	34,202.59
IONEX COMMUNICATIONS	163.81
IOWA AMERICAN WATER	32,616.79
IOWA NETWORK SERVICES	4,510.30
IOWA TELECOM	13,802.10
IOWA TELECOMMUNICATIONS ASSOCIATION	12,038.04
IOWA WIRELESS	493.76
IPVOICE COMM	126.42
KAYTEX ENERGY MANAGEMENT	181.06
KMC DATA	472.53
KMC TELECOM	153.63
L&O POWER COOPERATIVE	670.21
LENOX MUNICIPAL GAS UTILITY	42.00
LINN COUNTY REC	5,586.13
LOST NATION-ELWOOD TELEPHONE	2,131.27
LOUISA COMMUNICATIONS	743.48
LTDS	1,427.64
MANNING MUNICIPAL	171.18
MANNING MUNICIPAL GAS	20.00
MARSHALL COUNTY REC (Gas)	1,074.19
MCI WORLDCOM	1,881.93
MCLEOD USA	4,131.79
MID IOWA TELEPHONE	336.12
MIDAMERICAN ENERGY CO (ELECTRIC)	68,758.07

MIDAMERICAN ENERGY CO (GAS)	67,688.76
MIDAMERICAN PIPELINE COMPANY	2.00
MINBURN TELECOMMUNICATIONS	109.42
MONTEZUMA MUNICIPAL UTILITIES (Gas)	37.50
MORNING SUN MUNICIPAL GAS UTILITY	2.50
MOULTON MUNICIPAL GAS SYSTEM	6.00
MT PLEASANT UTILITIES	506.40
NATURAL GAS PIPELINE CO. OF AMERICA	13,105.00
NEOLA, CITY OF	172.76
NEW ACCESS COMMUNICATIONS	398.06
NEW CELL d/b/a CELLCOM	295.91
NICOR ENERGY	425.61
NORTHEAST MISSOURI ELECTRIC POWER COOP	718.62
NORTHERN NATURAL GAS CO.	27,404.65
NORTHERN PLAINS NATURAL GAS	7,629.00
NORTHWEST IOWA POWER COOPERATIVE	7,992.40
NOS COMMUNICATIONS	1,528.61
OPTICOM	143.40
ORANGE CITY COMMUNICATIONS	126.42
OSCEOLA ELECTRIC COOPERATIVE	904.10
PAULLINA MUNICIPAL LIGHT PLANT	603.73
PELLA MUNICIPAL ELECTRIC	429.08
PEOPLES NATURAL GAS COMPANY	39,643.42
PERSONNEL COMM. INDUSTRY ASSOCIATION	4,963.55
PREMIERE NETWORK SERVICES	726.24
QUANTUMSHIFT	290.99
QWEST	328,670.54
RESELLER OF TELECOMMUNICATIONS SERVICES	462.75
RIVER VALLEY TELEPHONE	283.20
RURAL IOWA INDEPENDENT TELE ASSOCIATION	3,970.84
SIGMA NETWORKS TELEPHONE	199.13
SIOUX CITY BRICK & TILE COMPANY	4.00
SOUTH SLOPE TELEPHONE	4,412.90
SPENCER MUN. COMMUNICATIONS	907.57
SPRINT COMMUNICATIONS	314.13
SPRINT PCS	4,963.55
SPRINT SPECTRUM	203.57
TCG OMAHA	110.60
TELEPHONE COMPANY OF CENTRAL FLORDIA	183.87
TELEPORT COMM GROUP	222.02
TELERGY NETWORK SERVICES	238.98
THE COMMUNITY AGENCY	263.90
THE PHONE COMPANY (TALK AMERICA)	259.50
TITONKA TELEPHONE COMPANY	142.72
T-NETRIX TELECOMMUNICATIONS	158.34
TOUCH AMERICA	180.44
TRX, INC.	219.14

U.S. CELLULAR	4,667.07
U.S. ENERGY	138.01
UNITED CITIES GAS COMPANY	16,940.82
UNITED ELECTRIC COOPERATIVE	163.38
US GYPSUM CO.	12.00
UTILICORP COMMUNICATIONS	603.28
VECTRIS TELECOM	252.84
VERIZON SELECT SERVICES	9,199.91
WALL LAKE (Gas)	24.00
WAYLAND MUNICIPAL GAS UTILITY	11.00
WELLMAN MUNICIPAL GAS SYSTEM	12.00
WESTERN IOWA TELEPHONE ASSOCIATION	399.61
WILLIAMS & CO. COMMUNICATIONS	147.35
WILLIAMS PIPELINE COMPANY	1,286.47
WILTON TELEPHONE CO.	175.74
WINFIELD MUNICIPAL GAS UTILITY	5.00
Z-TEL	475.08

**GRAND TOTAL DIRECT ASSESSMENTS  
BILLINGS**

**\$ 973,737.47**

## Remainder Assessments

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### *Rate Regulated Utilities*

	<b>Calendar 2000 Revenues</b>	<b>FY 2001 Assessments</b>
<b>Water</b>		
Iowa-American Water Co.	\$ 20,302,394	\$ 22,947.55
<b>Electric &amp; Gas</b>		
Interstate Power Co-(Elec)	201,332,818	240,063.91
Interstate Power Co-(Gas)	35,303,859	41,246.55
IES Utilities Co-(Elec)	639,562,622	762,597.49
IES Utilities Co-(Gas)	195,658,041	228,593.13
MidAmerican Energy Co-(Elec)	1,068,753,127	1,274,352.86
MidAmerican Energy Co-(Gas)	514,824,729	601,485.10
<b>Natural Gas Companies</b>		
United Cities Gas	7,057,366	8,245.33
Aquila, Inc.	113,229,132	132,288.98
<b>Rural Electric Cooperative</b>		
Linn County REC	19,425,974	23,163.02
<b><i>Nonrate Regulated Utilities</i></b>		
<b>Municipal Utilities</b>		
Afton	439,333	261.92
Akron	714,100	425.74
Algona	5,528,696	3,296.14
Allerton (Gas)	1,417,117	827.83
Alta Municipal Utilities	721,256	430.00
Alta Vista	110,898	66.12
Alton	463,101	276.09
Ames	28,026,311	16,708.91
Anita	425,073	253.42
Anthon	305,418	182.09
Aplington	371,405	221.43
Atlantic	5,259,622	3,135.72

	<b>Calendar 2000 Revenues</b>	<b>FY 2001 Assessments</b>
<b>Municipal Utilities</b>		
Auburn	123,580	73.68
Aurelia	485,213	289.28
Bancroft	673,864	401.75
Bedford (Gas)	471,583	275.48
Bellevue	1,311,543	781.92
Bloomfield (Electric)	2,133,398	1,271.90
Bloomfield (Gas)	858,750	501.65
Breda	242,282	144.45
Brighton (Gas)	228,107	133.25
Brooklyn (Electric)	750,127	447.22
Brooklyn (Gas)	369,938	216.10
Buffalo	317,672	189.39
Burt	258,401	154.06
Callender	158,398	94.43
Carlisle	1,147,669	684.23
Cascade (Electric)	986,138	587.92
Cascade (Gas)	454,121	265.28
Cedar Falls (Electric)	16,187,626	9,650.85
Cedar Falls (Gas)	11,501,530	6,718.79
Clearfield (Gas)	125,395	73.25
Coggon	323,756	193.02
Coon Rapids (Electric)	1,465,489	873.71
Coon Rapids (Gas)	823,157	480.86
Corning (Electric)	756,284	450.89
Corning (Gas)	755,111	441.11
Corwith	215,602	128.54
Danville	349,941	208.63
Dayton	431,578	257.30
Denison	5,375,720	3,204.93
Denver	760,626	453.48
Dike	452,007	269.48
Durant	1,016,972	606.31
Dysart	612,242	365.01
Earlville	343,327	204.69
Eldridge	2,402,716	1,432.47

	<b>Calendar 2000 Revenues</b>	<b>FY 2001 Assessments</b>
<b>Municipal Utilities</b>		
Ellsworth	358,628	213.81
Emmetsburg (Gas)	1,693,367	989.21
Estherville	2,804,179	1,671.81
Everly (Gas)	319,188	186.46
Fairbank (Electric)	405,522	241.77
Fairbank (Gas)	283,372	165.54
Farnhamville	244,988	146.06
Fonda	306,189	182.55
Fontanelle	267,469	159.46
Forest City	3,304,595	1,970.16
Fredericksburg	1,546,014	921.71
Gilmore City (Gas)	362,016	211.48
Glidden	415,579	247.76
Gowrie	515,730	307.47
Graettinger (Electric)	401,715	239.50
Graettinger (Gas)	250,127	146.12
Grafton	116,402	69.40
Grand Junction	445,508	265.61
Greenfield	2,069,234	1,233.65
Grundy Center	1,801,313	1,073.92
Guthrie Center (Gas)	791,915	462.61
Guttenberg	1,037,490	618.54
Harlan (Electric)	4,117,133	2,454.58
Harlan (Gas)	2,032,829	1,187.51
Hartley (Electric)	924,188	550.99
Hartley (Gas)	671,797	392.44
Hawarden (Electric)	1,411,583	841.57
Hawarden (Gas)	856,133	500.12
Hinton	392,780	234.17
Hopkinton	316,901	188.93
Hudson	879,987	524.64
Independence	4,461,705	2,660.01
Indianola	5,151,225	3,071.09
Keosauqua	889,220	530.14
Kimballton	123,718	73.76

	<b>Calendar 2000 Revenues</b>	<b>FY 2001 Assessments</b>
<b>Municipal Utilities</b>		
La Porte City	857,187	511.04
Lake Mills	2,373,062	1,414.79
Lake Park (Electric)	485,584	289.50
Lake Park (Gas)	592,185	345.93
Lake View	937,365	558.84
Lamoni (Electric)	1,327,593	791.49
Lamoni (Gas)	560,124	327.20
Larchwood	334,029	199.14
Laurens	1,168,932	696.90
Lawler	212,135	126.47
Lehigh	170,063	101.39
Lenox (Electric)	828,520	493.95
Lenox (Gas)	879,164	513.58
Lineville (Gas)	87,098	50.88
Livermore	228,708	136.35
Long Grove	179,703	107.14
Lorimor (Gas)	102,103	59.64
Manilla (Electric)	387,818	231.21
Manilla (Gas)	258,834	151.20
Manning (Electric)	1,552,551	925.61
Manning (Gas)	900,751	526.19
Mapleton	750,219	447.27
Maquoketa	3,923,234	2,338.98
Marathon	152,460	90.89
McGregor	449,600	268.05
Milford	1,748,980	1,042.72
Montezuma (Electric)	1,460,882	870.96
Montezuma (Gas)	793,731	463.67
Morning Sun (Gas)	238,867	139.54
Moulton (Gas)	187,899	109.76
Mount Pleasant	4,633,076	2,762.18
Muscatine	57,303,798	34,163.74
Neola	244,049	145.50
New Hampton	2,735,485	1,630.86
New London	1,282,216	764.44

	<b>Calendar 2000 Revenues</b>	<b>FY 2001 Assessments</b>
<b>Municipal Utilities</b>		
Ogden	911,493	543.42
Onawa	1,606,736	957.91
Orange City	3,461,303	2,063.58
Orient	148,630	88.61
Osage (Electric)	2,712,999	1,617.45
Osage (Gas)	1,895,439	1,107.25
Panora	869,668	518.48
Paton	147,571	87.98
Paullina	442,948	264.08
Pella	12,238,573	7,296.47
Pocahontas	1,045,465	623.29
Prescott (Gas)	89,056	52.02
Preston (Electric)	475,534	283.51
Preston (Gas)	358,087	209.18
Primghar	592,359	353.16
Readlyn	271,922	162.12
Remsen (Electric)	653,458	389.58
Remsen (Gas)	419,515	245.07
Renwick	242,814	144.76
Rock Rapids (Electric)	1,260,308	751.38
Rock Rapids (Gas)	856,608	500.40
Rockford	438,622	261.50
Rolfe (Gas)	307,015	179.35
Sabula (Electric)	258,423	154.07
Sabula (Gas)	313,146	182.93
Sac City (Gas)	910,524	531.90
Sanborn (Electric)	844,871	503.70
Sanborn (Gas)	823,237	480.91
Sergeant Bluff	1,569,038	935.44
Shelby	225,862	134.66
Sibley	1,814,615	1,081.85
Sioux Center (Electric)	3,652,836	2,177.77
Sioux Center (Gas)	2,446,146	1,428.95
Spencer	6,507,895	3,879.92
Stanhope	239,292	142.66

	<b>Calendar 2000 Revenues</b>	<b>FY 2001 Assessments</b>
<b>Municipal Utilities</b>		
Stanton	379,235	226.09
State Center	979,266	583.83
Story City	2,882,974	1,718.79
Stratford	402,306	239.85
Strawberry Point	637,550	380.10
Stuart	1,105,288	658.96
Sumner	1,024,017	610.51
Tennant	31,525	18.79
Tipton (Electric)	2,020,127	1,204.37
Tipton (Gas)	1,111,435	649.26
Titonka (Gas)	166,125	97.04
Traer	1,399,686	834.47
Villisca	509,167	303.56
Vinton	2,038,126	1,215.10
Wall Lake (Electric)	424,979	253.37
Wall Lake (Gas)	44,500	26.00
Waukee (Gas)	1,679,977	981.38
Waverly	7,415,580	4,421.07
Wayland (Gas)	363,261	212.20
Webster City	9,127,159	5,441.49
Wellman (Gas)	341,629	199.57
West Bend (Electric)	829,453	494.51
West Bend (Gas)	583,363	340.78
West Liberty	2,895,353	1,726.17
West Point	861,154	513.41
Westfield	63,084	37.61
Whittemore (Electric)	256,339	152.83
Whittemore (Gas)	284,895	166.43
Wilton	1,474,583	879.13
Winfield (Gas)	272,387	159.12
Winterset	2,946,648	1,756.75
Woodbine (Electric)	704,327	419.91
Woodbine (Gas)	488,427	285.32
Woolstock	142,802	85.14
<b>Sub-total Municipal Utilities</b>	<b>327,888,672</b>	<b>194,970.49</b>

	<b>Calendar 2000 Revenues</b>	<b>FY 2001 Assessments</b>
<b>Rural Electric Cooperatives</b>		
Access Energy Cooperative (S.E. Iowa Coop. Electric Assn.)	12,134,396	7,234.37
Allamakee-Clayton Elec. Coop., Inc.	8,986,479	5,357.62
Amana Society Service Co.	4,649,741	2,772.11
Atchison-Holt Electric Coop.	1,088,457	648.92
Boone Valley Electric Coop.	350,364	208.88
Butler County Rural Elec. Coop.	9,549,674	5,693.39
Calhoun County Electric Coop. Assn.	2,374,126	1,415.42
Cass Electric Cooperative	85,682	51.08
Central Iowa Power Coop.	5,091,387	3,035.42
Chariton Valley Electric Coop., Inc.	5,365,020	3,198.55
Clarke Electric Coop., Inc.	6,470,794	3,857.80
Consumers Energy (Marshall County REC)	6,566,484	3,914.85
Corn Belt Power Cooperative	0	0.00
East-Central Iowa Rural Electric Coop.	11,727,728	6,991.92
Eastern Iowa Light & Power Coop.	47,714,123	28,446.53
Farmers Elec. Coop. Kalona	1,112,500	663.26
Farmers Elec. Coop. Greenfield	7,883,901	4,700.28
Federated Rural Electric Assn.	39,403	23.49
Franklin Rural Electric Coop.	3,505,374	2,089.86
Freeborn-Mower Electric Coop.	8,785	5.24
Glidden Rural Electric Coop.	3,142,887	1,873.75
Grundy County Rural Electric Coop.	4,195,046	2,501.03
Grundy Electric Cooperative, Inc.	241,199	143.80
Guthrie County Rural Elec. Coop.	6,422,605	3,829.07
Harrison County Rural Electric	4,083,044	2,434.26
Hawkeye Tri-County Electric Coop.	8,995,809	5,363.18
Heartland Power Coop.	7,309,513	4,357.83
Humboldt County Rural Electric	3,246,390	1,935.45
Iowa Lakes Electric Coop.	19,376,362	11,551.93
L & O Power Cooperative	0	0.00
Lyon Rural Electric Coop.	3,512,266	2,093.97
Maquoketa Valley Rural Electric	17,783,635	10,602.37
Midland Power Cooperative	15,687,563	9,352.72
Nishnabotna Valley Rural Elec.	5,577,919	3,325.48
Nobles Coop. Electric Assn.	9,605	5.73

	<b>Calendar 2000 Revenues</b>	<b>FY 2001 Assessments</b>
North West Rural Electric Coop.	13,259,668	7,905.24
Northwest Iowa Power Coop.	1,923,854	1,146.98
Osceola Electric Coop., Inc.	2,092,546	1,247.55
Pella Coop. Electric Assn.	4,012,153	2,391.99
Pleasant Hill Community Line	258,543	154.14
Prairie Energy Cooperative (Hancock Co. REC & Wright Co. REC)	12,835,595	7,652.41
Rideta Electric Coop., Inc.	3,764,798	2,244.52
Sac County Rural Electric Coop.	1,750,625	1,043.70
Southern Iowa Electric Coop.	6,617,601	3,945.33
Southwest Iowa Service Coop.	4,369,476	2,605.02
T. I. P. Rural Electric Coop.	9,036,769	5,387.60
Tri-County Electric Coop.	116,637	69.54
United Electric Cooperative, Inc.	559,310	333.45
Western Iowa Power Coop.	7,165,799	4,272.15
Woodbury County Rural Electric Coop.	4,150,042	2,474.20
<b>Sub-total Rural Electric Cooperatives</b>	<b>306,201,677</b>	<b>182,553.38</b>
<b>Total All Electric, Gas &amp; Water</b>	<b>3,449,540,411</b>	<b>3,712,507.79</b>
<b>Total Telephones (Next Section)</b>	<b>800,411,007</b>	<b>1,019,873.23</b>
<b>Grand Total All Industries</b>	<b>4,249,954,418</b>	<b>4,732,381.02</b>

## Remainder Assessments

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Telephone Companies	2000 Local Exchange Assessable Revenues	2000 Interexchange Assessable Revenues	Calendar 2000 Total Assessable Revenues	FY 2001 Assessments
Ace Communications Group	648,653	1,636,910	2,285,563	2,912.23
AllTel Communications, Inc.	104,901	85	104,986	133.77
Alpine Communications, L.C.	3,306,143	0	3,306,143	4,212.64
Amana Colonies Telephone d/b/a Hickory Tech	951,221	0	951,221	1,212.03
Amervision Communications	0	405,805	405,805	517.07
Andrew Telephone Company	197,277	0	197,277	251.37
Arcadia Telephone Coop	236,499	0	236,499	301.34
AT&T Communications of the Midwest	488,829	0	488,829	622.86
Ayrshire Farmers Mutual Telephone	56,207	332,009	388,216	494.66
Baldwin Nashville Telephone	175,570	0	175,570	223.71
Barnes City Coop. Telephone	102,708	0	102,708	130.87
Bernard Telephone Co.	417,889	0	417,889	532.47
Blue Earth Valley Telephone	11,728	22,213	33,941	43.25
Breda Telephone Corp.	822,059	0	822,059	1,047.46
Brooklyn Mutual Telephone	806,220	0	806,220	1,027.27
Burt Telephone Company	274,146	0	274,146	349.31
Business Discount Plan	0	61,136	61,136	77.90
Butler Bremer Mutual Telephone	1,220,787	0	1,220,787	1,555.51
Cable & Wireless	0	222,318	222,318	283.27
Cascade Telephone	1,205,663	0	1,205,663	1,536.24
Casey Mutual Telephone	305,773	0	305,773	389.61
Cedar Communications, L.L.C.	126,209	0	126,209	160.81
Center Junction Telephone	72,639	0	72,639	92.56
Central Scott Telephone	2,082,280	0	2,082,280	2,653.21
CenturyTel of Chester, Inc.	45,492	39,335	84,827	108.09
CenturyTel of Postville, Inc.	893,972	254,602	1,148,574	1,463.50
CGI Long Distance Services	0	78,085	78,085	99.49
Citizens Comm. (Citizens Mutual Tele)	2,517,388	0	2,517,388	3,207.62
City of Hawarden d/b/a HiTec	233,795	204,458	438,253	558.42
Clarence Telephone	475,470	0	475,470	605.84
Clarksville Telephone	470,397	0	470,397	599.37
Clear Lake Ind. Telephone	1,374,944	2,012,769	3,387,713	4,316.58
C-M-L Telephone Coop. Assn.	404,177	0	404,177	515.00
Colo Telephone	71,483	404,715	476,198	606.77
Comm South Companies, Inc.	1,694,504	0	1,694,504	2,159.11
Coon Creek Telecomm. Corp.	506,347	0	506,347	645.18

<b>Telephone Companies</b>	<b>2000 Local Exchange Assessable Revenues</b>	<b>2000 Interexchange Assessable Revenues</b>	<b>Calendar 2000 Total Assessable Revenues</b>	<b>FY 2001 Assessments</b>
Coon Creek Telephone	357,341	0	357,341	455.32
Coon Rapids Muni. Communications Utilities	86,661	140,223	226,884	289.09
Coon Valley Coop. Telephone	285,290	0	285,290	363.51
Coop. Telephone Exchange (Stanhope)	106,456	122,387	228,843	291.59
Cooperative Telephone Co. (Victor)	851,775	0	851,775	1,085.32
Corn Belt Telephone Co.	602,555	0	602,555	767.77
Cox Iowa Telecom, L.L.C. d/b/a Cox Communications, Inc.	785,022	83,776	868,798	1,107.01
Crystal Communications, Inc. d/b/a HickoryTech	289,163	16,677	305,840	389.70
Cumberland Telephone	228,495	0	228,495	291.15
Danville Mutual Telephone	621,139	0	621,139	791.45
Defiance Telephone	155,167	0	155,167	197.71
Dixon Telephone	277,935	0	277,935	354.14
Dumont Telephone	382,040	0	382,040	486.79
Dunkerton Telephone Coop.	596,413	0	596,413	759.94
East Buchanan Tele Coop.	1,018,921	0	1,018,921	1,298.30
Ellsworth Coop. Telephone	63,272	370,222	433,494	552.35
Evercom Systems	0	1,368,338	1,368,338	1,743.52
Farmers & Businessmen's Mutual Tele. Co.	955,814	0	955,814	1,217.89
Farmers & Merchants Mutual Telephone Co.	495,357	0	495,357	631.18
Farmers Coop Telephone Co.-Dysart	745,909	0	745,909	950.43
Farmers Mutual Coop. Telephone - Moulton	319,847	0	319,847	407.54
Farmers Mutual Coop. Telephone of Shelby	1,383,882	0	1,383,882	1,763.32
Farmers Mutual Telephone Co.-Jesup	1,277,714	0	1,277,714	1,628.05
Farmers Mutual Telephone Co.-Shellsburg	1,150,903	0	1,150,903	1,466.47
Farmers Mutual Telephone Co.-Stanton	581,738	0	581,738	741.24
Farmers Telephone Co.-Batavia	228,656	0	228,656	291.35
Farmers Telephone Co.-Essex	335,498	0	335,498	427.49
Farmers Telephone Co.-Nora Springs	938,429	0	938,429	1,195.73
Farmers Telephone Co.-Nora Springs d/b/a OmniTel Communications	1,772,697	0	1,772,697	2,258.75
Fenton Coop. Telephone Co.	153,438	0	153,438	195.51
FiberCom, L.L.C.	497,450	0	497,450	633.84
Forest City Telecom, Inc.	403,426	964,874	1,368,300	1,743.47
Frontier Communications of America, Inc.	0	244,454	244,454	311.48
Frontier Communications of Iowa, Inc.	21,925,922	0	21,925,922	27,937.72
Goldfield Access Network	391,340	0	391,340	498.64
Goldfield Telephone Co.	322,655	0	322,655	411.12
Grand Mound Coop. Telephone	309,979	0	309,979	394.97
Grand River Mutual Telephone	3,494,076	0	3,494,076	4,452.11

<b>Telephone Companies</b>	<b>2000 Local Exchange Assessable Revenues</b>	<b>2000 Interexchange Assessable Revenues</b>	<b>Calendar 2000 Total Assessable Revenues</b>	<b>FY 2001 Assessments</b>
Griswold Coop. Telephone	1,024,300	0	1,024,300	1,305.15
Hawkeye Telephone	290,933	0	290,933	370.70
Heart of Iowa Communications	426,200	0	426,200	543.06
Heart of Iowa Telecommunications Coop.	403,113	0	403,113	513.64
Heartland Telecommunications Co. of Iowa d/b/a HickoryTech	5,054,123	0	5,054,123	6,439.90
Hills Telephone	277,779	523,719	801,498	1,021.26
Hospers Telephone Exchange	185,110	231,126	416,236	530.36
Houlton Enterprises, Inc., d/b/a Guaranteed Phone Service	328,920	0	328,920	419.11
Hubbard Coop. Telephone	383,052	0	383,052	488.08
Huxley Coop. Telephone Co.	293,033	968,647	1,261,680	1,607.62
IADA Services	0	1,798,535	1,798,535	2,291.67
IAMO Telephone Co.	193,275	0	193,275	246.27
Incomnet Communications	0	62,503	62,503	79.64
Independent Networks, L.C.	107,306	104,823	212,129	270.29
Intellical Operators	0	479,985	479,985	611.59
Interstate 35 Telephone	920,322	0	920,322	1,172.66
Ionex Communications North	1,114,300	544,191	1,658,491	2,113.23
Iowa Network Services	0	11,398,886	11,398,886	14,524.31
Iowa Telecom	41,098,000	25,137,000	66,235,000	84,395.77
Jefferson Telephone	1,669,342	0	1,669,342	2,127.05
Jordan Soldier Valley Coop.	52,769	111,371	164,140	209.15
Kalona Coop. Telephone Co.	1,256,066	0	1,256,066	1,600.46
Keystone Fmrs. Coop. Tele	718,727	0	718,727	915.79
La Motte Telephone	263,746	0	263,746	336.06
La Porte City Telephone	1,374,296	0	1,374,296	1,751.11
Laurel Telephone	214,493	0	214,493	273.30
Laurens Municipal Broadband Comm. Utility d/b/a Future Net	70,635	131,738	202,373	257.86
LCI Int'l Telecom Corp. d/b/a Qwest Comm. Services	0	860,352	860,352	1,096.25
Lehigh Valley Coop. Telephone	214,660	834,014	1,048,674	1,336.21
Liberty Communications (West Liberty Tele.)	1,874,337	0	1,874,337	2,388.26
Lightyear Communications (Unidial)	0	744,055	744,055	948.07
Local Alliance Network (Local Long Distance)	0	529,166	529,166	674.26
Lone Rock Coop. Telephone	130,768	0	130,768	166.62
Lost Nation-Elwood Telephone	575,610	0	575,610	733.43
LoTel d/b/a Coordinated Billing Services	0	75,000	75,000	95.56
Lynnville Comm. Telephone	160,789	0	160,789	204.88
Mabel Coop. Telephone	312,592	208,024	520,616	663.36

<b>Telephone Companies</b>	<b>2000 Local Exchange Assessable Revenues</b>	<b>2000 Interexchange Assessable Revenues</b>	<b>Calendar 2000 Total Assessable Revenues</b>	<b>FY 2001 Assessments</b>
Manilla Telephone	348,520	0	348,520	444.08
Marne & Elk Horn Telephone	692,065	0	692,065	881.82
Martelle Coop Telephone	117,024	0	117,024	149.11
Massena Telephone	292,540	0	292,540	372.75
MCI WorldCom Comm	0	89,777,481	89,777,481	114,393.29
MCI Worldcom Network Services	0	799,315	799,315	1,018.48
McLeodUSA Telecomm. Services, Inc.	47,501,808	25,115,149	72,616,957	92,527.58
Mechanicsville Telephone	475,384	0	475,384	605.73
Mediapolis Telephone	1,214,496	0	1,214,496	1,547.49
Mid-Iowa Telephone Coop. Assn.-Gilman	887,644	0	887,644	1,131.02
Miles Coop. Telephone	359,789	0	359,789	458.44
Miller Telephone	46,536	0	46,536	59.30
Minburn Telecommunications	552,116	0	552,116	703.50
Minburn Telephone	259,228	0	259,228	330.30
Minerva Valley Telephone	466,786	0	466,786	594.77
Modern Coop Telephone	540,265	0	540,265	688.40
Montezuma Mutual Telephone	2,952,302	0	2,952,302	3,761.78
Mutual Telephone Co. of Morning Sun	352,600	0	352,600	449.28
Mutual Telephone Co. of Sioux Center	1,468,290	0	1,468,290	1,870.88
Network Communications	0	59,515	59,515	75.83
Norstan Network Services	0	138,619	138,619	176.63
North English Coop. Telephone	386,568	0	386,568	492.56
Northeast Iowa Telephone	1,076,595	0	1,076,595	1,371.78
Northern Iowa Telephone	1,243,440	0	1,243,440	1,584.37
Northwest Iowa Telephone	1,060,418	2,827,828	3,888,246	4,954.35
Northwest Telephone Coop.	245,494	757,429	1,002,923	1,277.91
Norway Rural Telephone	420,704	0	420,704	536.06
Nos Communications	0	199,944	199,944	254.77
NOSVA Limited Partnership	0	1,223,418	1,223,418	1,558.86
Ogden Telephone	979,367	0	979,367	1,247.90
Olin Telephone	471,639	0	471,639	600.96
OLS	0	454,664	454,664	579.33
OneStar Long Distance, Inc. (corrected revenue)	0	1,358,703	1,358,703	1,731.24
Onslow Coop Telephone	257,079	0	257,079	327.57
Oran Mutual Telephone	236,736	0	236,736	301.65
Palmer Mutual Telephone	233,090	0	233,090	297.00
Palo Coop. Telephone	213,436	0	213,436	271.96
Panora Coop. Telephone	932,553	0	932,553	1,188.25
Pathnet, Inc.	54,316	0	54,316	69.21
Payphones Unlimited	114,518	103,396	217,914	277.66

<b>Telephone Companies</b>	<b>2000 Local Exchange Assessable Revenues</b>	<b>2000 Interexchange Assessable Revenues</b>	<b>Calendar 2000 Total Assessable Revenues</b>	<b>FY 2001 Assessments</b>
PDS-Phone Debit Systems	0	57,262	57,262	72.96
Peoples Telephone Company (New Ulm)	468,107	0	468,107	596.46
Prairie Telephone	598,867	0	598,867	763.07
Prairieburg Telephone	110,441	0	110,441	140.72
Preston Telephone	796,299	0	796,299	1,014.63
PRIMUS Telecommunications	0	139,135	139,135	177.28
QWEST Communications	342,660,000	0	342,660,000	436,612.91
Qwest Communications Corp.	0	1,123,700	1,123,700	1,431.80
Radcliffe Telephone	311,962	0	311,962	397.50
Readlyn Telephone	537,540	0	537,540	684.93
Ringsted Telephone	113,308	81,378	194,686	248.07
River Valley Telephone	522,351	0	522,351	665.57
Rockwell Coop. Telephone	154,518	677,008	831,526	1,059.52
Royal Telephone	226,780	0	226,780	288.96
RSLCOM USA	12,868	204,995	217,863	277.60
Ruthven Telephone Exchange	377,690	0	377,690	481.25
Sac County Mutual Telephone	601,742	0	601,742	766.73
SBC Long Distance (Ameritech)	0	229,484	229,484	292.41
Schaller Telephone	1,019,566	0	1,019,566	1,299.12
Scranton Telephone	289,732	0	289,732	369.17
Searsboro Telephone	223,109	0	223,109	284.28
Sharon Telephone	444,489	0	444,489	566.36
Shell Rock Telephone Co. c/o Blue Earth Valley Telephone Co.	167,247	396,797	564,044	718.70
South Central Communications	1,250,281	0	1,250,281	1,593.09
South Slope Coop Telephone	5,130,349	0	5,130,349	6,537.02
Southwest Telephone Exchange	439,373	0	439,373	559.84
Springville Cooperative Tele	425,667	0	425,667	542.38
Sprint Communications	0	15,895,314	15,895,314	20,253.60
Stratford Mutual Telephone	364,006	0	364,006	463.81
Sully Telephone Assn	580,562	0	580,562	739.74
Superior Telephone Coop.	116,807	0	116,807	148.83
Swisher Telephone	361,417	0	361,417	460.51
Talk.com Holding Corp. f/k/aTel-Save, Inc.	0	709,180	709,180	903.63
TCG Omaha	55,598	6,882	62,480	79.61
Teleconnect Long Distance	0	19,642,239	19,642,239	25,027.88
Templeton Telephone	297,038	0	297,038	378.48
Terril Telephone	285,939	0	285,939	364.34
Titonka Telephone	279,206	0	279,206	355.76
Touch 1 Communications	0	263,532	263,532	335.79

	<b>2000 Local Exchange Assessable Revenues</b>	<b>2000 Interexchange Assessable Revenues</b>	<b>Calendar 2000 Total Assessable Revenues</b>	<b>FY 2001 Assessments</b>
<b>Telephone Companies</b>				
Touch America (revised)	0	4,864,967	4,864,967	6,198.88
TTI National Inc.	0	749,804	749,804	955.39
United Farmers Telephone	80,733	318,383	399,116	508.55
Universal Communications of Allison	492,669	0	492,669	627.75
Van Buren Telephone	1,608,142	0	1,608,142	2,049.07
Van Horne Coop. Telephone	305,683	0	305,683	389.50
Vartec Telecom	0	3,132,935	3,132,935	3,991.94
Ventura Telephone	96,064	160,401	256,465	326.78
Viatel Services	0	370,040	370,040	471.50
Villisca Farmers Telephone	695,188	0	695,188	885.80
Walnut Telephone	463,581	0	463,581	590.69
WCT Communications (Wilton)	1,203,506	0	1,203,506	1,533.49
WCTA Long Distance	0	559,625	559,625	713.07
Webb Dickens Telephone Corp.	316,060	0	316,060	402.72
Webster Calhoun Coop. Telephone Assn.	4,519,260	0	4,519,260	5,758.38
Webster Calhoun Long Distance	977,838	0	977,838	1,245.95
Wellman Coop. Telephone	692,055	0	692,055	881.81
West Iowa Telephone	2,796,140	0	2,796,140	3,562.80
Western Iowa Telephone	349,249	1,358,499	1,707,748	2,175.99
Westside Ind. Telephone	239,382	0	239,382	305.02
Winnebago Coop. Telephone	1,576,300	2,346,951	3,923,251	4,998.96
WinStar Wireless, Inc.	36,958	180,441	217,399	277.01
Woolstock Mutual Telephone	120,988	0	120,988	154.16
Working Assets Long Distance	0	161,642	161,642	205.96
Wyoming Mutual Telephone	308,084	0	308,084	392.56
<b>Total</b>	<b>570,236,426</b>	<b>230,174,581</b>	<b>800,411,007</b>	<b>1,019,873.23</b>

## Dual Party Assessments

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Telephone Companies	2000	FY 2001	2000	FY 2001
	Dual Party Local Exchange Revenues	Local Exchange Assessment	Dual Party Interexchange Revenues	Interexchange Assessment
Ace Communications Group	765,378	957.86	1,636,910	3,250.92
AllTel Communications, Inc.	104,901	131.28	85	0.17
Alpine Communications, L.C.	3,533,800	4,422.51	0	0.00
Alpine Long Distance	0	0.00	539,079	1,070.62
AmeriVision Communications, Inc.	0	0.00	405,805	805.93
Andrew Telephone Company, Inc.	205,145	256.74	0	0.00
Arcadia Telephone Coop	261,871	327.73	0	0.00
AT&T Communications of the Midwest, Inc.	488,829	611.76	86,286,898	171,366.81
Atkins Telephone Company, Inc.	388,717	486.47	14,159	28.12
Ayrshire Farmers Mutual Telephone Co.	61,609	77.10	346,554	688.26
Baldwin Nashville Telephone Co.	184,499	230.90	0	0.00
Barnes City Coop. Telephone co.	106,396	133.15	1,692	3.36
Benton/Linn Wireless LLC	327,371	409.70	0	0.00
Bernard Telephone Co., Inc.	436,600	546.40	31,461	62.48
Breda Telephone Corp.	885,098	1,107.69	0	0.00
Broadwing Comm. Services-IXC (revise)	0	0.00	1,200,105	2,383.42
Broadwing Telecommunications-Eclipse (revise)	0	0.00	1,090,438	2,165.62
Brooklyn Mutual Telephone Co.	829,717	1,038.38	0	0.00
Budget Call Long Distance, Inc.	0	0.00	100,555	199.70
Burt Telephone Company	287,369	359.64	25,773	51.19
Business Discount Plan, Inc.	0	0.00	61,136	121.42
Butler Bremer Mutual Telephone Co.	1,310,251	1,639.76	0	0.00
Cable & Wireless USA, Inc.	0	0.00	222,318	441.53
Cascade Telephone Co.	1,316,610	1,647.72	0	0.00
Casey Mutual Telephone Co.	323,785	405.21	0	0.00
Cedar Communications, L.L.C.	127,814	159.96	0	0.00
Center Junction Telephone Co.	78,675	98.46	0	0.00
Central Scott Telephone Co.	2,254,299	2,821.23	0	0.00
CenturyTel of Chester, Inc.	45,492	56.93	39,335	78.12
CenturyTel of Postville, Inc.	893,972	1,118.80	254,602	505.64

	2000		2000	
	Dual Party Local Exchange Revenues	FY 2001 Local Exchange Assessment	Dual Party Interexchange Revenues	FY 2001 Interexchange Assessment
<b>Telephone Companies</b>				
C L TEL Long Distance, Inc.	0	0.00	450,350	894.40
CGI Long Distance Ser (Comm Group KC)	0	0.00	78,085	155.08
Citizens Communication Company f/k/a Citizens Mutual Telephone Co.	2,762,628	3,457.40	238,137	472.94
City of Hawarden d/b/a HiTec	307,548	384.89	275,838	547.82
Clarence Telephone Co. Inc.	501,764	627.95	0	0.00
Clarksville Telephone Company	503,558	630.20	0	0.00
Clear Lake Ind. Telephone Co.	2,317,675	2,900.54	2,012,769	3,997.38
C-M-L Telephone Coop. Assn.	466,683	584.05	0	0.00
Colo Telephone Co.	153,714	192.37	425,043	844.14
Comdata Telecomm. Services, Inc.	0	0.00	241,702	480.02
Comm South Companies, Inc.	1,694,504	2,120.65	0	0.00
Complete Communication Services Corp.	0	0.00	71,745	142.49
Coon Creek Telecommunications Corp.	524,460	656.36	21,179	42.06
Coon Creek Telephone Co.	394,611	493.85	16,836	33.44
Coon Rapids Muni. Comm. Utilities	102,434	128.19	217,419	431.80
Coon Valley Coop. Telephone Assn. Inc.	307,537	384.88	53,625	106.50
Coop. Telephone Exchange	106,456	133.23	122,387	243.06
Cooperative Telephone Co.	960,017	1,201.45	0	0.00
Corn Belt Telephone Co.	710,472	889.15	0	0.00
Cox Communications, Inc.	821,602	1,028.22	83,776	166.38
Crystal Communications, Inc. d/b/a HickoryTech	291,680	365.03	357,554	710.11
Cumberland Telephone Co.	254,576	318.60	0	0.00
Danville Mutual Telephone Co.	654,351	818.91	4,683	9.30
Defiance Telephone Co. Inc.	162,824	203.77	0	0.00
Dixon Telephone Co.	289,469	362.27	0	0.00
Dumont Telephone Co.	407,040	509.41	73,759	146.49
Dunkerton Telephone Coop.	625,143	782.36	0	0.00
East Buchanan Telephone Coop.	1,097,062	1,372.96	0	0.00
Ellsworth Coop. Telephone Assn.	195,916	245.19	375,950	746.64
eMeritus Communications, Inc. f/k/a Teleglobe Business Solutions, Inc.	0	0.00	389,310	773.17
ETCLD, Inc.	0	0.00	59,905	118.97
Evercom Systems, Inc.	0	0.00	1,368,338	2,717.54

<b>Telephone Companies</b>	<b>2000</b>	<b>FY 2001</b>	<b>2000</b>	<b>FY 2001</b>
	<b>Dual Party Local Exchange Revenues</b>	<b>Local Exchange Assessment</b>	<b>Dual Party Interexchange Revenues</b>	<b>Interexchange Assessment</b>
Excel Telecommunications, Inc.	0	0.00	2,790,117	5,541.21
Farmers & Businessmen's Mutual Tele. Co.	992,645	1,242.28	0	0.00
Farmers & Merchants Mutual Telephone Co.	587,110	734.76	71,273	141.55
Farmers Coop Telephone Co.	772,659	966.97	0	0.00
Farmers Mutual Coop. Tel. (Moulton)	334,978	419.22	0	0.00
Farmers Mutual Coop. Tel. (Harlan)	1,466,519	1,835.33	0	0.00
Farmers Mutual Telephone Co. (Jesup)	1,350,880	1,690.61	0	0.00
Farmers Mutual Tele (Omni-Nora Springs)	1,859,490	2,327.13	0	0.00
Farmers Mutual Telephone Co. (Shellsburg)	1,293,445	1,618.73	24,081	47.83
Farmers Mutual Telephone Co. (Stanton)	644,286	806.32	0	0.00
Farmers Telephone Co. (Batavia)	247,282	309.47	25,589	50.82
Farmers Telephone Co. (Essex)	362,037	453.08	0	0.00
Farmers Telephone Co. (Riceville)	975,196	1,220.45	0	0.00
Fenton Coop. Telephone Co.	173,020	216.53	0	0.00
FiberCom, L.L.C.	500,066	625.83	0	0.00
FMTC Long Distance (Farmers Mut Tel Co)	0	0.00	109,472	217.41
Forest City Telecom, Inc. (SEE REVISED)	467,381	584.92	964,874	1,916.25
Frontier Communications of America, Inc.	0	0.00	244,454	485.49
Frontier Communications of Iowa, Inc.	28,110,113	35,179.46	0	0.00
Future Net (Laurens Mun Broadband)	79,387	99.35	175,512	348.57
Global Crossing Tele f/k/a Allnet Comm.	0	0.00	6,189,653	12,292.73
Goldfield Access Network	395,002	494.34	0	0.00
Goldfield Telephone Co.	346,286	433.37	0	0.00
Grand Mound Coop. Telephone Assn.	322,520	403.63	5,775	11.47
Grand River Mutual Telephone Corp.	3,761,087	4,706.95	0	0.00
Griswold Coop. Telephone Co.	1,118,434	1,399.71	0	0.00
Guaranteed Phone Service (Houlton)	328,920	411.64	0	0.00
Hawkeye Telephone Co.	304,350	380.89	0	0.00
Heart of Iowa Communications, Inc.	451,595	565.17	481,327	955.92
Heart of Iowa Telecommunications Coop.	619,231	774.96	0	0.00
Heartland Telecommunications Co. of Iowa d/b/a HickoryTech	6,329,031	7,920.71	0	0.00
Hertz Technologies, Inc.	0	0.00	228,532	453.87
HickoryTech (Amana Colonies)	1,072,490	1,342.21	0	0.00

<b>Telephone Companies</b>	<b>2000</b>	<b>FY 2001</b>	<b>2000</b>	<b>FY 2001</b>
	<b>Dual Party Local Exchange Revenues</b>	<b>Local Exchange Assessment</b>	<b>Dual Party Interexchange Revenues</b>	<b>Interexchange Assessment</b>
Hills Telephone Co. Inc.	554,441	693.88	572,062	1,136.12
Hospers Telephone Exchange	328,403	410.99	239,069	474.79
Hubbard Coop. Telephone Assn.	404,304	505.98	0	0.00
Huxley Coop. Telephone Co.	329,207	412.00	1,007,834	2,001.57
IADA Services, Inc. (Iowa Auto Dealers)	0	0.00	1,798,535	3,571.91
IAMO Telephone Co.	205,612	257.32	4,609	9.15
IECom (Int Exchange Comm)	0	0.00	115,289	228.97
Incomnet Communications Corp.	0	0.00	62,503	124.13
Independent Networks, L.C.	126,162	157.89	104,823	208.18
Interstate 35 Telephone Co., Inc.	945,858	1,183.73	0	0.00
Intellical Operators Services, Inc., subsidiary of ILD Telecomm., Inc.	0	0.00	479,985	953.26
Ionex Communications North, Inc.	1,115,079	1,395.51	549,218	1,090.75
Iowa Network Services, Inc.	0	0.00	49,952,486	99,206.24
Iowa Telecom	45,339,000	56,741.21	25,137,000	49,922.38
Jefferson Telephone Co.	3,111,106	3,893.51	0	0.00
Jordan Soldier Valley Coop. Telephone Co.	52,769	66.04	111,371	221.18
Kalona Coop. Telephone Co.	1,349,427	1,688.79	45,956	91.27
Keystone Fmrs. Coop. Telephone Co.	722,532	904.24	0	0.00
La Motte Telephone Co., Inc.	276,014	345.43	0	0.00
La Porte City Telephone Co.	1,417,365	1,773.82	0	0.00
Laurel Telephone Co., Inc.	219,426	274.61	0	0.00
Lehigh Valley Coop. Telephone Assn.	427,852	535.45	889,728	1,767.01
Liberty Communications (West Liberty Tel)	2,337,933	2,925.89	0	0.00
Link Communications, Inc.	0	0.00	77,187	153.29
Lightyear Communications, Inc. UniDial	0	0.00	744,055	1,477.70
Local Alliance Network (Local Long Dis)	0	0.00	529,166	1,050.93
Local Telephone Data Services Corporation	50,015	62.59	0	0.00
Lone Rock Coop. Telephone Co.	149,157	186.67	0	0.00
Long Distance Wholesale Club	0	0.00	63,367	125.85
Lost Nation-Elwood Telephone Co.	623,997	780.92	0	0.00
LoTel, Inc.	0	0.00	75,000	148.95
Lynnville Comm. Telephone Co., Inc.	167,381	209.48	284	0.56
Mabel Coop. Telephone Co.	312,592	391.21	208,024	413.14

<b>Telephone Companies</b>	<b>2000</b>	<b>FY 2001</b>	<b>2000</b>	<b>FY 2001</b>
	<b>Dual Party Local Exchange Revenues</b>	<b>Local Exchange Assessment</b>	<b>Dual Party Interexchange Revenues</b>	<b>Interexchange Assessment</b>
Manilla Telephone Co.	365,275	457.14	0	0.00
Marne & Elk Horn Telephone Co.	793,779	993.40	0	0.00
Martelle Coop Telephone Assn.	127,716	159.84	6,739	13.38
Massena Telephone Co.	338,691	423.87	0	0.00
MCI WorldCom Network Services-WITEL	0	0.00	799,315	1,587.45
MCI WorldCom Communications, Inc.	0	0.00	89,777,481	178,299.15
McLeodUSA Telecomm. Services, Inc.	47,501,808	59,447.93	25,115,149	49,878.99
Mechanicsville Telephone Co.	504,400	631.25	0	0.00
Mediapolis Telephone Co.	1,313,470	1,643.79	0	0.00
Mid-Iowa Long Distance	0	0.00	126,496	251.22
Mid-Iowa Telephone Coop. Assn.-Gilman	957,074	1,197.77	0	0.00
Miles Coop. Telephone Assn.	381,593	477.56	0	0.00
Miller Telephone Co.	50,349	63.01	0	0.00
Minburn Telecommunications, Inc.	578,434	723.90	15,688	31.16
Minburn Telephone Co.	278,329	348.33	15,479	30.74
Minerva Valley Telephone Co., Inc.	492,493	616.35	39,545	78.54
Modern Coop Telephone Co.	607,055	759.72	0	0.00
Montezuma Mutual Telephone Co.	3,811,103	4,769.55	0	0.00
Mutual Telephone Co. of Morning Sun	378,263	473.39	0	0.00
Mutual Telephone Co. of Sioux Center	1,573,798	1,969.59	0	0.00
Natel, LLC	0	0.00	131,889	261.93
Network Communication International Corp.	0	0.00	59,515	118.20
NorLight Telecommunications, Inc.	0	0.00	436,638	867.17
Norstan Network Services, Inc.	0	0.00	138,619	275.30
North English Coop. Telephone Co.	421,196	527.12	0	0.00
Northeast Iowa Telephone Co.	1,333,542	1,668.91	0	0.00
Northern Iowa Telephone Co.	1,315,008	1,645.72	0	0.00
Northwest Iowa Telephone Co., Inc.	1,078,418	1,349.63	2,827,828	5,616.10
Northwest Telephone Coop. Assn.	324,465	406.06	778,293	1,545.70
Norway Rural Telephone Co.	486,073	608.31	0	0.00
NOS Communications, Inc.	0	0.00	199,944	397.09
NOSVA, Limited Partnership	0	0.00	1,223,418	2,429.72
Ogden Telephone Co.	1,082,578	1,354.83	21,382	42.46

<b>Telephone Companies</b>	<b>2000</b>	<b>FY 2001</b>	<b>2000</b>	<b>FY 2001</b>
	<b>Dual Party Local Exchange Revenues</b>	<b>Local Exchange Assessment</b>	<b>Dual Party Interexchange Revenues</b>	<b>Interexchange Assessment</b>
Olin Telephone Co., Inc.	499,317	624.89	0	0.00
OLS, Inc.	0	0.00	454,664	902.97
OneStar Long Distance, Inc.	0	0.00	4,167,288	8,276.28
Onslow Coop Telephone Assn.	263,991	330.38	0	0.00
OPEX Communications, Inc. PremierCom	0	0.00	170,359	338.34
Oran Mutual Telephone Co.	248,066	310.45	11,239	22.32
Palmer Mutual Telephone Co.	239,163	299.31	0	0.00
Palo Coop. Telephone Assn.	278,197	348.16	7,522	14.94
Panora Coop. Telephone Assn., Inc.	1,047,949	1,311.50	0	0.00
Pathnet, Inc.	54,316	67.98	0	0.00
Pay Phones Unlimited, Inc.	287,370	359.64	147,708	293.35
PDS, Inc. d/b/a Phone Debit Systems, Inc.	0	0.00	57,262	113.72
Peoples Telephone Company	580,877	726.96	0	0.00
Powercom Corp.	0	0.00	57,445	114.09
Prairie Telephone Co., Inc.	628,381	786.41	0	0.00
Prairieburg Telephone Co., Inc.	114,670	143.51	0	0.00
Preferred Billing (Inmark, Inc)	0	0.00	52,759	104.78
Preston Telephone Co.	855,782	1,071.00	0	0.00
Primus Telecommunications, Inc.	0	0.00	139,135	276.32
Qwest Comm. Services (LCI Int. Telecom)	0	0.00	860,352	1,708.67
Qwest Communications Corp.	0	0.00	1,123,700	2,231.68
QWEST Corporation	394,513,000	493,728.26	25,853,000	51,344.37
Radcliffe Telephone Co., Inc.	336,224	420.78	0	0.00
Readlyn Telephone Co.	559,693	700.45	78,427	155.76
Ringsted Telephone Co.	198,165	248.00	87,272	173.32
River Valley Telephone Coop.	580,937	727.04	0	0.00
Rockwell Coop. Telephone Assn.	297,136	371.86	707,162	1,404.43
Royal Telephone Co.	252,786	316.36	0	0.00
RSLCOM USA, Inc.	12,868	16.10	204,995	407.12
Ruthven Telephone Exchange Co.	420,523	526.28	0	0.00
Sac County Mutual Telephone Co.	661,924	828.39	0	0.00
SBC Long Distance (Ameritech Comm)	0	0.00	229,484	455.76
Schaller Telephone Co.	1,047,877	1,311.41	0	0.00

<b>Telephone Companies</b>	<b>2000</b>	<b>FY 2001</b>	<b>2000</b>	<b>FY 2001</b>
	<b>Dual Party Local Exchange Revenues</b>	<b>Local Exchange Assessment</b>	<b>Dual Party Interexchange Revenues</b>	<b>Interexchange Assessment</b>
Scranton Telephone Co.	308,405	385.97	0	0.00
Searsboro Telephone Co.	229,398	287.09	52,548	104.36
Sharon Telephone Co.	564,672	706.68	11,610	23.06
Shell Rock Telephone Co. c/o Blue Earth Valley Telephone Co.	193,410	242.05	417,760	829.68
South Central Communications, Inc.	1,365,960	1,709.48	0	0.00
South Slope Coop Telephone Co., Inc.	6,644,556	8,315.58	0	0.00
Southwest Telephone Exchange, Inc.	460,801	576.69	2,454	4.87
Springville Cooperative Telephone Assn., Inc.	460,645	576.49	0	0.00
Sprint Communications Co. L.P.	0	0.00	15,895,314	31,568.28
Stratford Mutual Telephone Co.	368,961	461.75	0	0.00
Sully Telephone Assn.	647,531	810.38	26,475	52.58
Superior Telephone Coop.	120,533	150.85	0	0.00
Swisher Telephone Co.	370,571	463.77	0	0.00
Talk.com Holding f/k/aTel-Save, Inc.	0	0.00	709,180	1,408.44
TCG Omaha	55,598	69.58	6,882	13.67
Teleconnect Long Distance Services	0	0.00	19,642,239	39,009.75
Templeton Telephone Co.	311,118	389.36	0	0.00
Terril Telephone Co.	303,227	379.48	0	0.00
Titonka Telephone Co.	302,504	378.58	30,378	60.33
Total Communications Services, Inc.	0	0.00	1,844,099	3,662.40
Touch 1 Communications, Inc.	0	0.00	263,532	523.38
Touch America, Inc. d/b/a Touch America	0	0	4,864,967	9,661.88
TTI National, Inc.	0	0.00	749,804	1,489.12
United Farmers Telephone Co.	80,733	101.04	318,383	632.31
Universal Communications of Allison, Inc.	514,859	644.34	70,390	139.80
Van Buren Telephone Co., Inc.	1,725,131	2,158.98	0	0.00
Van Horne Coop. Telephone Co.	337,976	422.97	49,037	97.39
VarTec Telecom (Clear Choice)	0	0.00	3,132,935	6,222.05
Ventura Telephone Co., Inc.	167,676	209.84	160,401	318.56
Verizon Select Services Inc. (GTE Card)	0	0.00	5,339,939	10,605.18
Viatel Services, Inc.	0	0.00	445,933	885.63
Villisca Farmers Telephone Co.	735,811	920.86	0	0.00
Walnut Telephone Co.	485,888	608.08	0	0.00

<b>Telephone Companies</b>	<b>2000</b>	<b>FY 2001</b>	<b>2000</b>	<b>FY 2001</b>
	<b>Dual Party Local Exchange Revenues</b>	<b>Local Exchange Assessment</b>	<b>Dual Party Interexchange Revenues</b>	<b>Interexchange Assessment</b>
WCS Telecom (Opcom,Inc)	0	0.00	54,115	107.47
WCTA Long Distance Co.	0	0.00	559,625	1,111.42
Webb Dickens Telephone Corp.	327,022	409.26	0	0.00
Webster Calhoun Coop. Telephone Assn.	4,958,502	6,205.50	0	0.00
Webster-Calhoun Long Distance, Inc.	977,838	1,223.75	0	0.00
Wellman Coop. Telephone Assn.	760,690	951.99	82,810	164.46
West Iowa Telephone Co.	3,130,902	3,918.29	0	0.00
Western Iowa Telephone Assn.	357,919	447.93	1,651,879	3,280.65
Westside Ind. Telephone Co.	249,863	312.70	0	0.00
Winnebago Coop. Telephone Assn.	2,013,091	2,519.36	2,346,951	4,661.07
WinStar Wireless, Inc.	36,958	46.25	180,441	358.36
Woolstock Mutual Telephone Assn.	125,830	157.47	0	0.00
Working Assets Long Distance	0	0.00	635,885	1,262.88
WTC Communications (Wilton Tel)	1,203,506	1,506.17	0	0.00
Wyoming Mutual Telephone Co.	324,381	405.96	0	0.00
<b>Total Billings/Assessments</b>	<b>648,959,582</b>	<b>812,165.05</b>	<b>408,942,662</b>	<b>812,165.04</b>

## Energy Centers Assessments

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<b>Utilities</b>	<b>Calendar 1999 Revenue</b>	<b>Energy Center</b>	<b>Global Warming</b>	<b>FY 2001 Assessments</b>
Interstate Power	229,874,068	195,393	34,481	229,874
IES-Electric	743,842,768	632,267	111,576	743,843
MidAmerican-Electric	907,500,543	771,376	136,125	907,501
MidAmerican-Gas	359,853,845	305,876	53,978	359,854
United Cities Gas	5,604,587	4,764	841	5,605
Peoples Natural Gas	96,579,129	82,092	14,487	96,579
Linn County REC	18,040,835	15,335	2,706	18,041
Afton	437,812	372	66	438
Akron	589,019	501	88	589
Algona	4,954,370	4,211	743	4,954
Alta	697,381	592	105	697
Alta Vista	107,884	92	16	108
Alton	442,081	376	66	442
Ames	27,377,775	23,271	4,107	27,378
Anita	371,794	316	56	372
Anthon	314,004	267	47	314
Aplington	413,081	351	62	413
Atlantic	4,491,080	3,817	674	4,491
Auburn	122,160	104	18	122
Aurelia	462,858	394	69	463
Bancroft	684,606	582	103	685
Bellevue	1,331,745	1,132	200	1,332
Breda	248,919	212	37	249
Buffalo	322,894	275	48	323
Burt	236,563	201	36	237
Callender	160,201	136	24	160
Carlisle	1,148,995	977	172	1,149
Coggon	318,922	271	48	319
Corwith	209,091	178	31	209
Danville	338,837	288	51	339
Dayton	389,853	332	58	390
Denison	5,000,332	4,250	750	5,000
Denver	712,552	606	107	713

<b>Utilities</b>	<b>Calendar 1999 Revenue</b>	<b>Energy Center</b>	<b>Global Warming</b>	<b>FY 2001 Assessments</b>
Dike	441,685	376	66	442
Durant	973,505	828	146	974
Dysart	571,559	486	86	572
Earlville	318,021	270	48	318
Eldridge	2,352,863	2,000	353	2,353
Ellsworth	444,337	377	67	444
Estherville	2,721,747	2,314	408	2,722
Farnhamville	246,509	210	37	247
Fonda	328,152	279	49	328
Fontanelle	288,612	246	43	289
Forest City	3,415,137	2,903	512	3,415
Fredericksburg	1,505,267	1,279	226	1,505
Glidden	404,247	343	61	404
Gowrie	526,405	447	79	526
Grafton	112,267	95	17	112
Grand Junction	444,020	377	67	444
Greenfield	1,792,474	1,523	269	1,792
Grundy Center	1,701,644	1,447	255	1,702
Guttenberg	1,053,719	896	158	1,054
Hinton	389,805	332	58	390
Hopkinton	299,525	255	45	300
Hudson	849,441	722	127	849
Independence	4,240,576	3,605	636	4,241
Indianola	4,677,124	3,975	702	4,677
Keosauqua	871,221	740	131	871
Kimballton	130,122	111	19	130
La Porte City	856,773	728	129	857
Lake Mills	2,311,046	1,964	347	2,311
Lake View	897,445	762	135	897
Larchwood	328,461	279	49	328
Laurens	790,719	672	119	791
Lawler	198,434	168	30	198
Lehigh	170,730	145	26	171
Livermore	204,638	174	31	205
Long Grove	171,194	145	26	171
Mapleton	751,842	639	113	752

<b>Utilities</b>	<b>Calendar 1999 Revenue</b>	<b>Energy Center</b>	<b>Global Warming</b>	<b>FY 2001 Assessments</b>
Maquoketa	3,717,124	3,159	558	3,717
Marathon	194,992	166	29	195
McGregor	452,467	384	68	452
Milford	1,625,637	1,382	244	1,626
Mount Pleasant	4,453,561	3,786	668	4,454
Muscatine	42,095,022	35,781	6,314	42,095
Neola	239,620	204	36	240
New Hampton	3,535,569	3,006	530	3,536
New London	1,093,289	929	164	1,093
Ogden	767,786	653	115	768
Onawa	1,545,438	1,313	232	1,545
Orange City	3,365,159	2,860	505	3,365
Orient	173,745	148	26	174
Panora	826,374	702	124	826
Paton	188,229	160	28	188
Paullina	417,257	354	63	417
Pella	11,078,609	9,417	1,662	11,079
Pocahontas	998,317	848	150	998
Primghar	502,264	427	75	502
Readlyn	271,080	230	41	271
Renwick	264,537	225	40	265
Rockford	523,617	445	79	524
Sergeant Bluff	1,471,479	1,250	221	1,471
Shelby	224,171	190	34	224
Sibley	1,661,885	1,413	249	1,662
Spencer	5,949,621	5,058	892	5,950
Stanhope	254,061	216	38	254
Stanton	348,651	297	52	349
State Center	953,589	811	143	954
Story City	2,518,042	2,140	378	2,518
Stratford	362,779	309	54	363
Strawberry Point	635,993	541	95	636
Stuart	1,074,270	913	161	1,074
Sumner	912,826	776	137	913
Tennant	31,567	27	5	32
Traer	1,376,102	1,170	206	1,376

<b>Utilities</b>	<b>Calendar 1999 Revenue</b>	<b>Energy Center</b>	<b>Global Warming</b>	<b>FY 2001 Assessments</b>
Villisca	501,162	426	75	501
Vinton	1,968,150	1,673	295	1,968
Wall Lake	413,878	352	62	414
Waverly	6,812,618	5,791	1,022	6,813
Webster City	8,420,464	7,157	1,263	8,420
West Liberty	2,626,827	2,233	394	2,627
West Point	854,041	726	128	854
Westfield	74,460	63	11	74
Wilton	1,465,258	1,245	220	1,465
Winterset	2,922,434	2,484	438	2,922
Woolstock	165,552	141	25	166
Allerton	854,205	726	128	854
Bedford	449,733	383	67	450
Brighton	161,895	138	24	162
Clearfield	90,147	77	13	90
Emmetsburg	1,369,932	1,165	205	1,370
Everly	239,750	204	36	240
Gilmore City	418,710	356	63	419
Guthrie Center	711,538	605	107	712
Lineville	84,337	71	13	84
Lorimor	91,827	78	14	92
Morning Sun	227,929	194	34	228
Moulton	157,140	133	24	157
Prescott	74,766	64	11	75
Rolfe	223,845	190	34	224
Sac City	888,133	755	133	888
Titonka	132,509	113	20	133
Waukee	1,236,233	1,051	185	1,236
Wayland	345,015	293	52	345
Wellman	321,452	273	48	321
Winfield	284,838	242	43	285
Bloomfield	2,768,992	2,354	415	2,769
Brooklyn	1,042,724	887	156	1,043
Cascade	1,302,194	1,107	195	1,302
Cedar Falls	22,936,801	19,496	3,441	22,937
Coon Rapids	1,518,703	1,291	228	1,519

<b>Utilities</b>	<b>Calendar 1999 Revenue</b>	<b>Energy Center</b>	<b>Global Warming</b>	<b>FY 2001 Assessments</b>
Corning	1,248,182	1,061	187	1,248
Fairbank-Electric	399,964	340	60	400
Fairbank-Gas	233,399	198	35	233
Graettinger-Light	397,278	337	60	397
Graettinger-Gas	206,612	176	31	207
Harlan	5,202,655	4,423	780	5,203
Hartley-Electric	785,421	667	118	785
Hartley-Gas	548,187	466	82	548
Hawarden	2,125,935	1,807	319	2,126
Lake Park	955,437	812	143	955
Lamoni	1,760,142	1,496	264	1,760
Lenox-Electric	796,117	677	119	796
Lenox-Gas	522,717	445	78	523
Manilla-Electric	386,427	328	58	386
Manilla-Gas	270,588	230	41	271
Manning-Electric	1,497,111	1,272	225	1,497
Manning-Gas	614,146	522	92	614
Montezuma-Electric	1,367,789	1,163	205	1,368
Montezuma-Gas	612,499	520	92	612
Osage-Utilities	4,074,403	3,463	611	4,074
Preston-Electric	416,392	354	62	416
Preston-Gas	248,552	212	37	249
Remsen, Town of	1,066,256	906	160	1,066
Rock Rapids	2,084,658	1,772	313	2,085
Sabula	507,341	431	76	507
Sanborn-Electric	732,992	623	110	733
Sanborn-Gas	837,128	711	126	837
Sioux Center, City of	5,587,805	4,750	838	5,588
Tipton-Electric	1,898,362	1,613	285	1,898
Tipton-Gas	895,351	761	134	895
West Bend-Electric	763,917	649	115	764
West Bend-Gas	321,452	273	48	321
Whittemore	766,690	652	115	767
Woodbine-Electric	650,018	553	97	650
Woodbine-Gas	284,838	242	43	285
Allamakee-Clayton Elec. Coop.,	8,815,501	7,494	1,322	8,816

<b>Utilities</b>	<b>Calendar 1999 Revenue</b>	<b>Energy Center</b>	<b>Global Warming</b>	<b>FY 2001 Assessments</b>
Amana Society Service Co.	4,440,413	3,774	666	4,440
Atchison-Holt Electric Coop.	1,067,138	907	160	1,067
Boone Valley Electric Coop.	223,953	190	34	224
Butler County Rural Elec. Coop.	8,084,418	6,871	1,213	8,084
Calhoun County Electric Coop.	2,235,508	1,901	335	2,236
Cass Electric Cooperative	86,089	73	13	86
Central Iowa Power Coop(CIPCO)	4,629,808	3,936	694	4,630
Chariton Valley Electric Coop.,	5,415,120	4,603	812	5,415
Clarke Electric Coop., Inc.	6,132,427	5,212	920	6,132
Corn Belt Power Cooperative	0	0	0	0
East-Central Iowa Rural Electric	11,619,377	9,876	1,743	11,619
Eastern Iowa Light & Power Coop.	41,278,378	35,086	6,192	41,278
Farmers Elec. Coop. Kalona	1,071,409	910	161	1,071
Farmers Elec. Coop., Inc. Greenfield	7,617,248	6,474	1,143	7,617
Federated Rural Electric Assn.	35,434	30	5	35
Franklin Rural Electric Coop.	3,446,368	2,929	517	3,446
Freeborn-Mower Electric Coop.	8,749	8	1	9
Glidden Rural Electric Coop.	2,774,458	2,358	416	2,774
Grundy County Rural Electric Coop.	4,217,077	3,584	633	4,217
Grundy Electric Cooperative, Inc.	249,882	213	37	250
Guthrie County Rural Elec. Coop. Assn.	6,114,347	5,197	917	6,114
Harrison County Rural Electric Coop.	3,901,797	3,317	585	3,902
Hawkeye Tri-County Electric Coop.	8,782,583	7,466	1,317	8,783
Heartland Power Coop.	7,229,749	6,146	1,084	7,230
Humboldt County Rural Electric Coop.	3,299,261	2,804	495	3,299
Iowa Lakes Electric Coop.	18,921,936	16,084	2,838	18,922
L & O Power Cooperative	0	0	0	0
Lyon Rural Electric Coop.	3,237,313	2,751	486	3,237
Maquoketa Valley Rural Electric Coop.	16,902,920	14,368	2,535	16,903
Consumers Energy (Marshall County REC)	6,093,955	5,180	914	6,094
Midland Power Cooperative	14,674,612	12,474	2,201	14,675
Nishnabotna Valley Rural Elec. Coop.	5,508,256	4,682	826	5,508
Nobles Coop. Electric Assn.	8,902	8	1	9
North West Rural Electric Coop.	13,300,153	11,305	1,995	13,300
Northwest Iowa Power Cooperative	1,740,526	1,480	261	1,741

<b>Utilities</b>	<b>Calendar 1999 Revenue</b>	<b>Energy Center</b>	<b>Global Warming</b>	<b>FY 2001 Assessments</b>
Osceola Electric Coop., Inc.	1,948,251	1,656	292	1,948
Pella Coop. Electric Assn.	3,780,032	3,213	567	3,780
Pleasant Hill Community Line	258,928	220	39	259
Prairie Energy Cooperative	11,612,057	9,870	1,742	11,612
Rideta Electric Coop., Inc.	3,491,006	2,967	524	3,491
S.E. Iowa Coop. Electric Assn.	11,528,750	9,800	1,729	11,529
Sac County Rural Electric Coop.	1,633,059	1,388	245	1,633
Southern Iowa Electric Coop., Inc.	4,862,626	4,134	729	4,863
Southwest Iowa Service Cooperative	4,224,964	3,591	634	4,225
T. I. P. Rural Electric Coop.	8,590,115	7,302	1,288	8,590
Tri-County Electric Coop.	113,459	96	17	113
United Electric Cooperative, Inc.	548,099	466	82	548
Western Iowa Power Cooperative	7,175,872	6,100	1,076	7,176
Woodbury County Rural Electric Coop.	3,997,841	3,398	600	3,998
<b>GRAND TOTAL</b>	<b>2,939,221,656</b>	<b>2,498,343</b>	<b>440,879</b>	<b>2,939,222</b>

**Iowa Utilities Board**  
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